



**LAO PEOPLE'S DEMOCRATIC REPUBLIC**

MINISTRY OF PUBLIC WORKS AND TRANSPORT  
DEPARTMENT OF PUBLIC WORKS AND TRANSPORT, OUDOMXAY PROVINCE

**BIDDING DOCUMENT  
FOR PROCUREMENT OF  
CIVIL WORKS**

*Lao Road Sector Project 2 (LRSP2)  
Contract No. CW-OUD-01: Climate Resilient Maintenance of Road No. 1851  
from Km 0+000 to Km 19+102*

**Request for Bids No: CW-OUD-01-RFB1  
Issued on: 28 March 2018  
Contract No: CW-OUD-01**

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# Standard Bidding Document

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# **PART 1 – Bidding Procedures**

## Section I - Instructions to Bidders

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## **Section I - Instructions to Bidders**

### **A. General**

- 1. Scope of Bid**
  - 1.1 In connection with the Invitation for Bids **specified in the Bid Data Sheet (BDS)**, the Employer, as **specified in the BDS**, issues these Bidding Documents for the procurement of the Works as specified in Section VI, Works Requirements. The name, identification, and number of lots (contracts) of this bidding are **specified in the BDS**.
  - 1.2 Throughout this Bidding Document:
    - (a) the term “in writing” means communicated in written form and delivered against receipt;
    - (b) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and
    - (c) “day” means calendar day; and
    - (d) “ESHS” means environmental, social (including sexual exploitation and abuse (SEA) and gender-based violence (GBV)), health and safety.
- 2. Source of Funds**
  - 2.1 The Lao People’s Democratic Republic (Lao PDR, hereinafter called “Borrower”) has received or has applied for financing (hereinafter called “funds”) from the International Development Association (hereinafter called “the Bank<sup>1</sup>”) in an amount **specified in the BDS**, toward the project named **in the BDS**. The Borrower intends to apply a portion of the funds to eligible payments under the contract(s) for which these Bidding Documents are issued.
  - 2.2 Payment by the Bank will be made only at the request of the Borrower and upon approval by the Bank, and will be subject, in all respects, to the terms and conditions of the Loan (or other financing) Agreement. The Loan (or other financing) Agreement prohibits a withdrawal from the Loan (or other financing) account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than the Borrower shall

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<sup>1</sup> Depending on the financing institution as indicated in ITB2.1 of the Bid Data Sheet, “the Bank” refers to the World Bank.

derive any rights from the Loan (or other financing) Agreement or have any claim to the proceeds of the Loan (or other financing).

**3. Corrupt and Fraudulent Practices**

- 3.1 The Bank requires compliance with the Bank's policy (as applicable, to be detailed in the contract) in regard to corrupt and fraudulent practices as set forth in Section VI (Bank's policy).
- 3.2 In further pursuance of this policy, Bidders shall permit and shall cause its agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers and any personnel thereof, to permit the Government or the Bank to inspect all accounts, records and other documents relating to any prequalification process, bid submission, and contract performance (in the case of award), and to have them audited by auditors appointed by the Government and/or the Bank.

**4. Eligible Bidders**

- 4.1 This Invitation for Bids is open to eligible Bidders from Lao PDR. Bidders from other eligible countries as specified in Section V can also participate.
- 4.2 A Bidder may be a firm that is a private entity, or a government-owned entity - subject to ITB 4.5 or any combination of such entities in the form of a joint venture (JV), under an existing agreement, or with the intent to enter into such an agreement supported by a letter of intent. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the bidding process and, in the event the JV is awarded the Contract, during contract execution. **Unless specified in the BDS**, there is no limit on the number of members in a JV.
- 4.3 A Bidder shall not have a conflict of interest. All Bidders found to have a conflict of interest shall be disqualified. Bidders may be considered to be in a conflict of interest with one or more parties in this bidding process, if including but not limited to:
  - (a) they have controlling shareholders in common; or
  - (b) they receive or have received any direct or indirect subsidy from any of them; or
  - (c) they have the same legal representative as another Bidder for the purpose of this bidding; or
  - (d) they have a relationship with each other, directly or through common third parties, that puts them in a position to have

access to material information about or improperly influence the bid of another Bidder, or influence the decisions of the Employer regarding this bidding process; or

- (e) a bidder participates in more than one bid in this bidding process either individually or as a partner in a joint venture, except for alternative offers permitted under ITB Clause 13. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which such Bidder is involved. However, this does not limit the inclusion of the same subcontractor in more than one bid; However, subject to any finding of a conflict of interest in terms of ITB 4.3 (a) - (d) above, this does not limit the inclusion of the same subcontractor in another bid or of a firm as a subcontractor in more than one bid or
- (f) a bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the works that are the subject of the bid; or
- (g) a bidder or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the Contract implementation; or
- (h) they would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the BDS ITB 2.1 that they provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
- (i) they have a close business or family relationship with a professional staff of the Borrower (or of the project implementing agency, or of a recipient of a part of the loan) who: (i) are directly or indirectly involved in the preparation of the bidding documents or specifications of the contract, and/or the bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to the Bank throughout the procurement process and execution of the contract.

4.4 A Bidder that has been sanctioned by the Bank in accordance with the above ITB 3.1, including in accordance with the World Bank's Guidelines on Preventing and Combating Corruption in Projects financed by IBRD Loans and IDA Credits and Grants ("World Bank Anticorruption Guidelines"), shall be ineligible to be prequalified for, bid, or be awarded a Bank-financed contract or benefit from a Bank-financed contract as applicable, financially or otherwise, during such period of time as the Bank, shall have determined. The lists of debarred firms and



individuals by the Bank are available at the electronic addresses **specified in the BDS.**

- 4.5 Bidders that are Government-owned enterprises or institutions in Lao PDR may participate only if they can establish that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not dependent agencies of the Employer. To be eligible, a government-owned enterprise or institution shall establish to the Employer or Bank's satisfaction, through all relevant documents, including its Charter and other information the Employer or Bank may request, that it: (i) is a legal entity separate from the government (ii) does not currently receive substantial subsidies or budget support; (iii) operates like any commercial enterprise, and, inter alia, is not obliged to pass on its surplus to the government, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt; and (iv) is not bidding for a contract to be awarded by the department or agency of the government which under their applicable laws or regulations is the reporting or supervisory authority of the enterprise or has the ability to exercise influence or control over the enterprise or institution.
  - 4.6 A Bidder shall not be under suspension from bidding by the Employer as the result of the operation of a Bid-Securing Declaration.
  - 4.7 The Bidder shall have fulfilled its obligations to pay taxes and security contributions under the relevant national laws and regulation.
  - 4.8 A Bidder shall provide such evidence of eligibility satisfactory to the Employer, as the Employer shall reasonably request.
- 5. Eligible Materials, Equipment and Services**
- 5.1 The materials, equipment and services to be supplied under the Contract and financed by the Bank may have their eligible origin in any country subject to the restrictions specified in Section V, Eligible Countries and **BDS**, and all expenditures under the Contract will not contravene such restrictions. At the Employer's request, Bidders may be required to provide evidence of the origin of materials, equipment and services.

## **B. Contents of Bidding Document**

- 6. Sections of Bidding Document**
- 6.1 The Bidding Document consists of Parts 1, 2, and 3, which include all the Sections specified below, and which should be read in conjunction with any Addenda issued in accordance with ITB 8.

### **PART 1 Bidding Procedures**

Section I - Instructions to Bidders (ITB)

Section II - Bid Data Sheet (BDS)

Section III - Evaluation and Qualification Criteria

Section IV - Bidding Forms

Section V – Eligible Countries

Section VI-1 – World Bank Policy-Corrupt and  
Fraudulent Practices

Section VI-2 – Asian Development Bank Policy –  
Corrupt and Fraudulent Practices

Section VI-3 – Article 39: Sanctions (Lao Decree No.  
03/PM on Government Procurement of  
Goods, Construction, Maintenance and  
Services, dated January 9, 2004)

**PART 2 Works Requirements**

Section VII - Works Requirements

**PART 3 Conditions of Contract and Contract Forms**

Section VIII - General Conditions of Contract (GCC)

Section IX - Particular Conditions of Contract (PCC)

Section X - Contract Forms

- 6.2 The Invitation for Bids issued by the Employer is not part of the Bidding Document.
- 6.3 Unless obtained directly from the Employer, the Employer is not responsible for the completeness of the Bidding Documents, responses to requests for clarification, the minutes of the pre-Bid meeting (if any), or Addenda to the Bidding Documents in accordance with ITB 8. In case of any contradiction, documents obtained directly from the Employer shall prevail.
- 6.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents and to furnish with its bid all information and documentation as is required by the Bidding Documents.

- 7. Clarification of Bidding Document, Site Visit, Pre-Bid Meeting**
- 7.1 A Bidder requiring any clarification of the Bidding Document shall contact the Employer in writing at the Employer's address **specified in the BDS** or raise its inquiries during the pre-bid meeting if provided for in accordance with ITB 7.4. The Employer will respond in writing to any request for clarification, provided that such request is received prior to the deadline for submission of bids within a period **specified in the BDS**. The Employer shall forward copies of its response to all Bidders who have acquired the Bidding Documents in accordance with ITB 6.3, including a description of the inquiry but without identifying its source. **If so specified in the BDS**, the Employer shall also promptly publish its response at the web page identified in the BDS. Should the clarification result in changes to the essential elements of the Bidding Documents, the Employer shall amend the Bidding Documents following the procedure under ITB 8 and ITB 22.2.
- 7.2 The Bidder is advised to visit and examine the Site of Works and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.
- 7.3 The Bidder and any of its personnel or agents will be granted permission by the Employer to enter upon its premises and lands for the purpose of such visit, but only upon the express condition that the Bidder, its personnel, and agents will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.
- 7.4 **If so specified in the BDS**, the Bidder's designated representative is invited to attend a pre-bid meeting. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 7.5 The Bidder is requested, to submit any questions in writing, to reach the Employer not later than one week before the meeting.
- 7.6 Minutes of the pre-bid meeting, if applicable, including the text of the questions asked by Bidders, without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Bidders who have acquired the Bidding Documents in accordance with ITB 6.3.
- 7.7 Any modification to the Bidding Documents that may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an addendum pursuant

to ITB 8 and not through the minutes of the pre-bid meeting.

- 8. Amendment of Bidding Document**
- 8.1 At any time prior to the deadline for submission of bids, the Employer for any reason, on its own initiative or in response to a clarification request in writing from a bidder having purchased the Bidding Document, may amend the Bidding Documents by issuing addenda.
- 8.2 Any addendum issued shall be part of the Bidding Documents and shall be communicated in writing to all who have obtained the Bidding Document from the Employer in accordance with ITB 6.3. The Employer shall also promptly publish the addendum on the Employer's web page in accordance with ITB 7.1.
- 8.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer may, at its discretion, extend the deadline for the submission of bids, pursuant to ITB 22.2.

### **C. Preparation of Bids**

- 9. Cost of Bidding**
- 9.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Employer shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 10. Language of Bid**
- 10.1 The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Employer, shall be written in the language **specified in the BDS**. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages into the Laotian Language, in which case, for purposes of interpretation of the Bid, such translation shall govern.
- 10.2 The Bidder shall bear all costs of translation to the Laotian Language and all risks of the accuracy of such translation if any document is submitted, as part of the Bid in a language other than Laotian.
- 11. Documents Comprising the Bid**
- 11.1 The Bid shall comprise the following:
- (a) Letter of Bid and Appendix to Bid, in accordance with ITB 12;
  - (b) completed Schedules in accordance with ITB 12 and 14: **as specified in the BDS**;
  - (c) Bid Securing Declaration, in accordance with ITB 19.1;

- (d) alternative bids, if permissible, in accordance with ITB 13;
- (e) written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 20.2;
- (f) documentary evidence in accordance with ITB 17 establishing the Bidder's qualifications to perform the contract if its Bid is accepted;
- (g) Technical Proposal in accordance with ITB 16; and
- (h) any other document **required in the BDS**.

11.2 In addition to the requirements under ITB 11.1, bids submitted by a JV shall include a copy of the Joint Venture Agreement entered into by all members. Alternatively, a letter of intent to execute a Joint Venture Agreement in the event of a successful bid shall be signed by all members and submitted with the bid, together with a copy of the proposed Agreement.

11.3 The Bidder shall furnish in the Letter of Bid information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Bid.

**12. Letter of Bid and Schedules**

12.1 The Letter of Bid and Schedules shall be prepared using the relevant forms furnished in Section IV, Bidding Forms. The forms must be completed without any alterations to the text, and no substitutes shall be accepted except as provided under ITB 20.2. All blank spaces shall be filled in with the information requested.

**13. Alternative Bids**

13.1 Unless otherwise **specified in the BDS**, alternative bids shall not be considered

13.2 When alternative times for completion are explicitly invited, a statement to that effect will be **included in the BDS**, as will the method of evaluating different times for completion.

13.3 Except as provided under ITB 13.4 below, Bidders wishing to offer technical alternatives to the requirements of the Bidding Document must first price the Employer's design as described in the Bidding Document and shall further provide all information necessary for a complete evaluation of the alternative by the Employer, including drawings, design calculations, technical specifications, breakdown of prices, and proposed construction methodology and other relevant details. Only the technical alternatives, if any, of the lowest evaluated Bidder conforming to the basic technical requirements shall be considered by the Employer.

13.4 When **specified in the BDS**, Bidders are permitted to submit alternative technical solutions for specified parts of the Works. Such parts will be **identified in the BDS** and described in Section VII. Works Requirements. The method for their

evaluation will be stipulated in Section III. Evaluation and Qualification Criteria.

**14. Bid Prices and Discounts**

- 14.1 The prices and discounts (including any price reduction) quoted by the Bidder in the Letter of Bid and in the Schedules shall conform to the requirements specified below.
- 14.2 The Bidder shall submit a bid for the whole of the works described in ITB 1.1 by filling in prices for all items of the Works, as identified in Section IV Bidding Forms. In case of admeasurements contracts, the Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Items against which no rate or price is entered by the Bidder will not be paid for by the Employer when executed and shall be deemed covered by the rates for other items and prices in the Bill of Quantities.
- 14.3 The price to be quoted in the Letter of Bid, in accordance with ITB 12.1, shall be the total price of the bid, excluding any discounts offered.
- 14.4 The Bidder shall quote any discounts and the methodology for their application in the Letter of Bid, in accordance with ITB 12.1 or through “modification” or “substitution” in accordance with ITB 24.
- 14.5 **Unless otherwise provided in the BDS** and the Conditions of Contract, the prices quoted by the Bidder shall be fixed. If the prices quoted by the Bidder are subject to adjustment during the performance of the Contract in accordance with the provisions of the Conditions of Contract, the Bidder shall furnish the indices and weightings for the price adjustment formulae in the Schedule of Adjustment Data in Section IV- Bidding Forms and the Employer may require the Bidder to justify its proposed indices and weightings.
- 14.6 If so specified in ITB 1.1, bids are invited for individual lots (contracts) or for any combination of lots (packages). Bidders wishing to offer discounts for the award of more than one Contract shall specify in their bid the price reductions applicable to each package, or alternatively, to individual Contracts within the package. Discounts shall be submitted in accordance with ITB 14.4, provided the bids for all lots (contracts) are opened at the same time.
- 14.7 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in

the rates and prices<sup>2</sup> and the total bid price submitted by the Bidder.

- 15. Currencies of Bid and Payment** 15.1 The currency of the bid and the currency of payments shall be Lao Kip.
- 16. Documents Comprising the Technical Proposal** 16.1 The Bidder shall furnish a Technical Proposal including a statement of work methods, equipment, personnel, schedule and any other information as stipulated in Section IV, Bidding Forms, in sufficient detail to demonstrate the adequacy of the Bidders' proposal to meet the work requirements and the completion time.
- 17. Documents Establishing the Qualifications of the Bidder** 17.1 In accordance with Section III, Evaluation and Qualification Criteria, to establish its qualifications to perform the Contract, the Bidder shall provide the information requested in the corresponding information sheets included in Section IV, Bidding Forms.
- 18. Period of Validity of Bids** 18.1 Bids shall remain valid for the period **specified in the BDS** after the bid submission deadline date prescribed by the Employer in accordance with ITB 22.1. A bid valid for a shorter period shall be rejected by the Employer as nonresponsive.
- 18.2 In exceptional circumstances, prior to the expiration of the bid validity period, the Employer may request Bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. A Bidder granting the request shall not be required or permitted to modify its bid, except as provided in ITB 18.3.
- 18.3 If the award is delayed by a period exceeding fifty-six (56) days beyond the expiry of the initial bid validity, the Contract price shall be determined as follows:
- (a) In the case of fixed price contracts, the Contract price shall be the bid price adjusted by the formula **specified in the BDS**.
  - (b) In the case of adjustable price contracts, no adjustment shall be made.
  - (c) In any case, bid evaluation shall be based on the bid price without taking into consideration the applicable correction from those indicated above.
- 19. Bid Security** 19.1 The Bidder shall furnish as part of its bid, a Bid-Securing Declaration in original form.
- 19.2 A Bid Securing Declaration shall use the form included in Section IV, Bidding Forms.

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<sup>2</sup> In lump sum contracts, delete "rates and prices and the" sum price."

- 19.3 Any bid not accompanied by a substantially responsive Bid-Securing Declaration shall be rejected by the Employer as non-responsive.
- 19.4 The Bid Securing Declaration may be executed, and the Borrower may declare the Bidder ineligible to be awarded a contract by the Employer for two years:
- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Letter of Bid, or any extension thereto provided by the Bidder; or
  - (b) if the successful Bidder fails to:
    - (i) sign the Contract in accordance with ITB 39; or
    - (ii) furnish a performance security and if required in the BDS, the Environmental, Social, Health and Safety (ESHS) Performance Security in accordance with ITB 40.
- 19.5 The Bid Securing Declaration of a JV shall be in the name of the JV that submits the bid. If the JV has not been constituted into a legally-enforceable JV, at the time of bidding, the Bid Securing Declaration shall be in the names of all future members as named in the letter of intent mentioned in ITB 4.1 and ITB 11.2.

## **20. Format and Signing of Bid**

- 20.1 The Bidder shall prepare one (1) original of the documents comprising the bid as described in ITB 11 and clearly mark it "ORIGINAL". Alternative bids, if permitted in accordance with ITB 13, shall be clearly marked "ALTERNATIVE". In addition, the Bidder shall submit copies of the bid in the number **specified in the BDS**, and clearly mark each of them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.
- 20.2 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation as **specified in the BDS** and shall be attached to the bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the bid where entries or amendments have been made shall be signed or initialed by the person signing the bid.
- 20.3 In case the Bidder is a JV, the Bid shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.
- 20.4 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the bid.



## **D. Submission and Opening of Bids**

### **21. Sealing and Marking of Bids**

21.1 The Bidder shall enclose the original and all copies of the bid, including alternative bids, if permitted in accordance with ITB 13, in separate sealed envelopes, duly marking the envelopes as “ORIGINAL”, “ALTERNATIVE” and “COPY.” These envelopes containing the original and the copies shall then be enclosed in one single envelope.

21.2 The inner and outer envelopes shall:

- (a) bear the name and address of the Bidder;
- (b) be addressed to the Employer at the address specified in ITB 22.1 of the BDS;
- (c) bear the specific identification of this bidding process specified in accordance with BDS 1.1; and
- (d) bear a warning “NOT TO OPEN” before the time and date for bid opening.

21.3 If all envelopes are not sealed and marked as required, the Employer will assume no responsibility for the misplacement or premature opening of the bid.

### **22. Deadline for Submission of Bids**

22.1 Bids must be received by the Employer at the address and no later than the date and time **specified in the BDS.**

22.2 Bids may be hand delivered, posted by registered mail or sent by courier under the responsibility of Bidders. The Employer shall, on request, provide the Bidder with a receipt showing the date and time when its Bid was received.

22.3 The Employer may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Document in accordance with ITB 8, in which case all rights and obligations of the Employer and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

### **23. Late Bids**

23.1 The Employer shall not consider any bid that arrives after the deadline for submission of bids, in accordance with ITB 22. Any bid received by the Employer after the deadline for submission of bids shall be declared late, rejected, and returned unopened to the Bidder.

### **24. Withdrawal, Substitution, and Modification of Bids**

24.1 A Bidder may withdraw, substitute, or modify its bid after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB 20.2, (except that withdrawal notices do not require copies). The corresponding

substitution or modification of the bid must accompany the respective written notice. All notices must be:

- (a) prepared and submitted in accordance with ITB 20 and ITB 21 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked “WITHDRAWAL,” “SUBSTITUTION,” “MODIFICATION;” and
- (b) received by the Employer prior to the deadline prescribed for submission of bids, in accordance with ITB 22.

24.2 Bids requested to be withdrawn in accordance with ITB 24.1 shall be returned unopened to the Bidders.

24.3 No bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Letter of Bid or any extension thereof.

## **25. Bid Opening**

25.1 Except in the cases specified in ITB 23 and 24, the Employer shall publicly open and read out in accordance with ITB 25.3 all bids received by the deadline, at the date, time and place **specified in the BDS**, in the presence of Bidders` designated representatives and anyone who choose to attend.

25.2 First, envelopes marked “WITHDRAWAL” shall be opened and read out and the envelope with the corresponding bid shall not be opened but returned to the Bidder. No bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening. Next, envelopes marked “SUBSTITUTION” shall be opened and read out and exchanged with the corresponding bid being substituted, and the substituted bid shall not be opened, but returned to the Bidder. No bid substitution shall be permitted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out at bid opening. Envelopes marked “MODIFICATION” shall be opened and read out with the corresponding bid. No bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at bid opening. Only envelopes that are opened and read out at bid opening shall be considered further.

25.3 All other envelopes shall be opened one at a time, reading out: the name of the Bidder and whether there is a modification; the total Bid Price, per lot (contract) if applicable, including any discounts and alternative bids; the presence or absence of a Bid Securing Declaration; and any other details as the Employer may consider appropriate. Only discounts and alternative bids read out at bid opening shall be considered for evaluation. The Letter of Bid and the Bill of Quantities are to be initialed by representatives of the Employer attending bid opening in the

manner **specified in the BDS**. The Employer shall neither discuss the merits of any bid nor reject any bid (except for late bids, in accordance with ITB 23.1).

25.4 The Employer shall prepare a record of the bid opening that shall include, as a minimum: the name of the Bidder and whether there is a withdrawal, substitution, or modification; the Bid Price, per lot (contract) if applicable, including any discounts and alternative bids; and the presence or absence of a bid security, if one was required. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Bidders.

## **E. Evaluation and Comparison of Bids**

- 26. Confidentiality**
- 26.1 Information relating to the evaluation of bids and recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with the bidding process until information on Contract award is communicated to all Bidders in accordance with ITB 39.
- 26.2 Any attempt by a Bidder to influence the Employer in the evaluation of the bids or contract award decisions may result in the rejection of its bid.
- 26.3 Notwithstanding ITB 26.2, from the time of bid opening to the time of Contract award, if a Bidder wishes to contact the Employer on any matter related to the bidding process, it shall do so in writing.
- 27. Clarification of Bids**
- 27.1 To assist in the examination, evaluation, and comparison of the bids, and qualification of the Bidders, the Employer may, at its discretion, ask any Bidder for a clarification of its bid given a reasonable time for a response. Any clarification submitted by a Bidder that is not in response to a request by the Employer shall not be considered. The Employer's request for clarification and the response shall be in writing. No change, including any voluntary increase or decrease in the prices or substance of the bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the bids, in accordance with ITB 31.
- 27.2 If a Bidder does not provide clarifications of its bid by the date and time set in the Employer's request for clarification, its bid may be rejected.

- 28. Deviations, Reservations, and Omissions**
- 28.1 During the evaluation of bids, the following definitions apply:
- (a) “Deviation” is a departure from the requirements specified in the Bidding Document;
  - (b) “Reservation” is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Bidding Document; and
  - (c) “Omission” is the failure to submit part or all of the information or documentation required in the Bidding Document.
- 29. Determination of Responsiveness**
- 29.1 The Employer’s determination of a bid’s responsiveness is to be based on the contents of the bid itself, as defined in ITB11.
- 29.2 A substantially responsive bid is one that meets the requirements of the Bidding Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that,
- (a) if accepted, would:
    - (i) affect in any substantial way the scope, quality, or performance of the Works specified in the Contract; or
    - (ii) limit in any substantial way, inconsistent with the Bidding Document, the Employer’s rights or the Bidder’s obligations under the proposed Contract; or
  - (b) if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive bids.
- 29.3 The Employer shall examine the technical aspects of the bid submitted in accordance with ITB 16, Technical Proposal, in particular, to confirm that all requirements of Section VII (Works Requirements) have been met without any material deviation, reservation or omission.
- 29.4 If a bid is not substantially responsive to the requirements of the Bidding Document, it shall be rejected by the Employer and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.
- 30. Nonconformities, Errors, and Omissions**
- 30.1 Provided that a bid is substantially responsive, the Employer may waive any nonconformities in the bid.
- 30.2 Provided that a bid is substantially responsive, the Employer may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the bid related to documentation requirements. Requesting information or documentation on such nonconformities shall not be related to any aspect of the price of

the Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.

30.3 Provided that a bid is substantially responsive, the Employer shall rectify quantifiable nonmaterial nonconformities related to the Bid Price. To this effect, the Bid Price may be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component. The adjustment shall be made using the methods specified in Section III (Evaluation and Qualification Criteria).

### **31. Correction of Arithmetical Errors**

31.1 Provided that the bid is substantially responsive, the Employer shall correct arithmetical errors on the following basis:

- (a) only for unit price contracts, if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Employer there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
- (b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail, and the total shall be corrected; and
- (c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.

31.2 Bidders shall be requested to accept correction of arithmetical errors. Failure to accept the correction in accordance with ITB 31.1 shall result in the rejection of the Bid.

### **32. Subcontractors**

32.1 Unless otherwise stated in the BDS, the Employer does not intend to execute any specific elements of the Works by sub-contractors selected in advance by the Employer.

32.2 The Employer may permit subcontracting for certain specialized works as indicated in Section III. When subcontracting is permitted by the Employer, the specialized sub-contractor's experience shall be considered for evaluation. Section III describes the qualification criteria for sub-contractors.

32.3 In addition to the specialized works mentioned in ITB 32.2 above, bidders may propose subcontracting up to the percentage of total value of contracts or the volume of works as **specified in the BDS.**

**33. Evaluation of Bids**

33.1 The Employer shall use the criteria and methodologies listed in this Clause. No other evaluation criteria or methodologies shall be permitted.

33.2 To evaluate a bid, the Employer shall consider the following:

- (a) the bid price, excluding Provisional Sums and the provision, if any, for contingencies in the Summary Bill of Quantities<sup>3</sup> for admeasurement contracts or Schedule of Prices for lump sum contracts, but including Daywork<sup>4</sup> items, where priced competitively;
- (b) price adjustment for correction of arithmetic errors in accordance with ITB 31.1;
- (c) price adjustment due to discounts offered in accordance with ITB 14.4;
- (d) price adjustment for nonconformities in accordance with ITB 30.3;
- (e) the additional evaluation factors are specified in Section III (Evaluation and Qualification Criteria);

33.3 The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in bid evaluation.

33.4 If the Bidding Document allows Bidders to quote separate prices for different lots (contracts), the methodology to determine the lowest evaluated price of the contract combinations, including any discounts offered in the Letter of Bid, is specified in Section III (Evaluation and Qualification Criteria).

33.5 If the bid for an admeasurement contract, which results in the lowest Evaluated Bid Price, is seriously unbalanced, front loaded or substantially below updated estimates in the opinion of the Employer, the Employer may require the Bidder to produce detailed price analyses for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, taking into consideration the schedule of estimated Contract payments, the Employer may require that the amount of the performance security be increased at the expense of the Bidder to a level sufficient to protect the Employer against financial loss in the event of default of the

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<sup>3</sup> In lump sum contracts, delete “Bill of Quantities” and replace with “Activity Schedule.”

<sup>4</sup> Daywork is work carried out following instructions of the Project Manager and paid for on the basis of time spent by workers, and the use of materials and the Contractor’s equipment, at the rates quoted in the Bid. For Daywork to be priced competitively for Bid evaluation purposes, the Employer must list tentative quantities for individual items to be costed against Daywork (e.g., a specific number of tractor driver staff-days, or a specific tonnage of Portland cement), to be multiplied by the bidders’ quoted rates and included in the total Bid price.

successful Bidder under the Contract.

- 34. Comparison of Bids** 34.1 The Employer shall compare the evaluated prices of all substantially responsive bids established in accordance with ITB 37.2 to determine the lowest evaluated bid.
- 35. Qualification of the Bidder** 35.1 The Employer shall determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive bid meets the qualifying criteria specified in Section III (Evaluation and Qualification Criteria).
- 35.2 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB 17.1.
- 35.3 An affirmative determination of qualification shall be a prerequisite for award of the Contract to the Bidder. A negative determination shall result in disqualification of the bid, in which event the Employer shall proceed to the next lowest evaluated bid to make a similar determination of that Bidder's qualifications to perform satisfactorily.
- 36. Employer's Right to Accept Any Bid, and to Reject Any or All Bids** 36.1 The Employer reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to Bidders. In case of annulment, all bids submitted shall be promptly returned to the Bidders.

## **F. Award of Contract**

- 37. Award Criteria** 37.1 Subject to ITB 35.1, the Employer shall award the Contract to the Bidder whose bid has been determined to be the lowest evaluated bid and is substantially responsive to the Bidding Document, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.
- 37.2 A Bidder shall not be required, as a condition for award, to undertake responsibilities not stipulated in the bidding documents, to change its price or otherwise to modify its Bid.
- 38. Notification of Award** 38.1 Prior to the expiration of the period of bid validity, the Employer shall notify the successful Bidder, in writing, via the Letter of Acceptance included in the Contract Forms, that its bid has been accepted. At the same time, the Employer shall also notify all other Bidders of the results of the bidding, and shall publish on the national website online the results identifying the bid and lot (contract) numbers and the following information:
- (i) name of each Bidder who submitted a Bid;
  - (ii) bid prices as read out at Bid Opening;

- (iii) name and evaluated prices of each Bid that was evaluated;
- (iv) name of bidders whose bids were rejected and the reasons for their rejection; and
- (v) name of the winning Bidder, and the Price it offered, as well as the duration and summary scope of the contract awarded.

38.2 Until a formal contract is prepared and executed, the notification of award shall constitute a binding Contract.

38.3 The Employer shall promptly respond in writing to any unsuccessful Bidder who, after notification of award in accordance with ITB 38.1, requests in writing the grounds on which its bid was not selected.



- 39. Signing of Contract**
- 39.1 Promptly upon notification, the Employer shall send the successful Bidder the Contract Agreement.
- 39.2 Within twenty-eight (28) days of receipt of the Contract Agreement, the successful Bidder shall sign, date, and return it to the Employer.
- Optional for Government financed contracts “Within twenty-eight (28) days of receipt of the Contract Agreement, the successful Bidder shall sign, date, and return it to the Employer or sign the contract at a Signing Ceremony if instructed by the Employer.
- 39.3 The signed Contract Agreement should be registered by the contractor, in accordance with the Decree No.52/PM. Dated 13 March 1993.
- 40. Performance Security**
- 40.1 Within twenty-eight (28) days of the receipt of notification of award from the Employer, the successful Bidder shall furnish the performance security and, if required in the BDS, the Environmental, Social, Health and Safety (ESHS) Performance Security in accordance with the conditions of contract, subject to ITB 33.5, using for that purpose the Performance Security and ESHS Performance Security Form included in Section IX, Contract Forms.
- 40.2 Failure of the successful Bidder to submit the above-mentioned Performance Security and, if required in the BDS, the Environmental, Social, Health and Safety (ESHS) Performance Security or to sign the Contract Agreement shall constitute sufficient grounds for the annulment of the award and execution of the bid securing declaration. In that event the Employer may award the Contract to the next lowest evaluated Bidder whose offer is substantially responsive and is determined by the Employer to be qualified to perform the Contract satisfactorily.
- 41. Adjudicator**
- 41.1 The Employer proposes the person **named in the BDS** to be appointed as Adjudicator under the Contract, at the hourly fee **specified in the BDS**, plus reimbursable expenses. If the Bidder disagrees with this proposal, the Bidder should so state in his Bid. If, in the Letter of Acceptance, the Employer does not agree on the appointment of the Adjudicator, the Employer will request the Appointing Authority designated in the Particular Conditions of Contract (PCC) pursuant to Clause 23.1 of the General Conditions of Contract (GCC), to appoint the Adjudicator
- 42. Right to Complain of Bidder.**
- 42.1 Any Bidder has the right to complain if it has suffered or may suffer loss or damage due to a breach of a duty imposed on the Employer by the IRR 063.
- 42.2 The complaint shall firstly be processed through an administrative review following the procedures set out in the IRR

063. The place and address for the first stage in the submission of complaints to the Administrative Authority is provided in the BDS.

42.3 If not satisfied with the outcome of the administrative review, the Bidder may complain to Ministry of Finance-Public Procurement Monitoring Division and may file a complaint with the court pursuant to IRR 063 if the contract is financed by the Government.

42.4 If the contract is to be financed by the Bank, all the complaints should be processed in accordance with the procurement guidelines of the Bank. The Guidelines can be found at: [www.worldbank.org](http://www.worldbank.org).

## Section II - Bid Data Sheet (BDS)

### A. Introduction

<b>ITB 1.1</b>	The number of the Invitation for Bids is: <b><i>CW-OUD-01-IFB1</i></b> The Employer is: <b><i>Ministry of Public Works and Transport, Department of Public Works and Transport, Oudomxay Province</i></b>
<b>ITB 1.1</b>	The name of the bidding process is: <b><i>Climate Resilient Maintenance of Road No. 1851 from Km 0+000 to Km 19+102</i></b> The identification number of the bidding process is: <b><i>CW-OUD-01</i></b> The number and identification of lots comprising this bidding process is: <b><i>one lot</i></b>
<b>ITB 2.1</b>	The financing institution is <b><i>The World Bank</i></b> The name of the Project is: <b><i>Lao Road Sector Project 2 (LRSP2)</i></b> Loan or Financing Agreement amount: <b><i>IDA Amount = USD 17.2 million</i></b>
<b>ITB 4.2</b>	Maximum number of members in the JV shall be: <b><i>three (3) members</i></b>
<b>ITB 4.4</b>	Lists of debarred firms and individuals is available at the Bank's external website: The World Bank: <a href="http://www.worldbank.org/debarr">www.worldbank.org/debarr</a>
<b>ITB 5.1</b>	For purposes of ITB5.1, origin means the place where the materials and equipment are mined, grown, produced or manufactured, and from which the services are provided. Materials and equipment are produced when, through manufacturing, processing, or substantial or major assembling of components, a commercially recognized product results that differs substantially in its basic characteristics or in purpose or utility from its components.

## B. Bidding Documents

<b>ITB 7.1</b>	<p>For <b><u>clarification purposes</u></b> only, the Employer's address is:</p> <p><i>Department of Public Works and Transport</i></p> <p>Attention: <i>Mr. Sinuan Khamdi, Acting Director of Department of Public Works and Transport, Oudomxay Province</i></p> <p>Street Address: <i>Bancheng Road, Namkor II Bridge, Cheng Village, Xay District, Oudomxay Province</i></p> <p>Floor/Room number: <i>Conference room of Department of Public Works and Transport, Oudomxay Province</i></p> <p>City: <i>Xay, Oudomxay</i></p> <p>ZIP Code: None</p> <p>Country: <i>Lao PDR</i></p> <p>Telephone: <i>+856 081 212 231</i></p> <p>Facsimile number: <i>+856 081 212 231</i></p> <p>Electronic mail address: <i>S.khamdi@hotmail.com</i></p> <p>Requests for clarification should be received by the Employer no later than: <i>ten (10) days prior to submission of bids</i></p>
<b>ITB 7.1</b>	<p>Web page: <a href="http://www.mpwt.gov.la">www.mpwt.gov.la</a></p>
<b>ITB 7.4</b>	<p>A Pre-Bid meeting <i>shall</i> take place. If a Pre-Bid meeting will take place, it will be at the following date, time and place:</p> <p>Time: <i>0900 hours</i></p> <p>Date: <i>23 April 2018</i></p> <p>Place: <i>DPWT-Oudomxay Province, Conference Room of Department of Public Works and Transport, Oudomxay Province</i></p> <p>A site visit conducted by the Employer <i>shall be</i> organized at the following date, time and place:</p> <p>Date: <i>24 April 2018</i></p> <p>Time: <i>0900 hours</i></p> <p>Place: <i>Meeting point is at Road 1851, KM 8+100, Fan Village, Xay District, Oudomxay Province and at Road 2W, KM 82+000, Na Ngeun Village, Houn District, Oudomxay Province</i></p>

### C. Preparation of Bids

<b>ITB 10.1</b>	The language of bid is <b>English</b> .
<b>ITB 11.1 (b)</b>	The following schedules shall be submitted with the bid: <i>None</i>
<b>ITB 11.1 (h)</b>	<p>The Bidder shall submit with its bid the following additional documents:</p> <p><b>Code of Conduct (ESHS)</b></p> <p>The Bidder shall submit its Code of Conduct that will apply to Contractor’s Personnel (as defined in Sub-clause 1.1.2.7 of the GCC), to ensure compliance with its Environmental, Social, Health and Safety (ESHS) obligations under the contract. <i>[Note: Complete and include the risks to be addressed by the Code in accordance with Section VII-Works’ Requirements, e.g. risks associated with: labor influx, spread of communicable diseases, sexual harassment, gender-based violence, violence against children, sexual exploitation and abuse, illicit behavior and crime, and maintaining a safe environment etc.]</i></p> <p>In addition, the Bidder shall detail how this Code of Conduct will be implemented. This will include: how it will be introduced into conditions of employment/engagement, what training will be provided, how it will be monitored and how the Contractor proposes to deal with any breaches.</p> <p>The Contractor shall be required to implement the agreed Code of Conduct.</p> <p><b>Management Strategies and Implementation Plans (MSIP) to manage the (ESHS) risks</b></p> <p>The Bidder shall submit Management Strategies and Implementation Plans (MSIP) to manage the key Environmental, Social, Health and Safety (ESHS) risks identified in the Environmental and Social Management Plan (ESMP) and Environmental Codes of Practice (ECOPs) including the following risks;</p> <ul style="list-style-type: none"> <li>• <i>Traffic Management Plan to ensure safety of local communities from construction traffic;</i></li> <li>• <i>Surplus Materials Disposal Plan;</i></li> <li>• <i>Strategy for obtaining Consents/Permits prior to the start of relevant works such as opening a quarry or borrow pit;</i></li> <li>• <i>A plan for labor influx and worker camping risk management including Gender based violence, Violence against Children and sexual exploitation and abuse (GBV/VAC/SEA) prevention and response action plan.</i></li> <li>• <i>Communication system to be in place between the Project Manager and focal staff appointed by the Contractor to ensure that a) maintenance or civil works will not commence until after the resettlement and compensation for land assets to be potentially affected by the project activities and necessary support, if required have been provided to project affected people or households, and b) complaints and grievances that may be raised by the PAPs/PAHs are</i></li> </ul>

	<p><i>received, discussed with concerned parties (e.g. PPWTO, Resettlement Committee, Village Authority) and addressed in a timely manner.</i></p> <p>The Contractor shall be required to submit for approval, and subsequently implement, the Contractor’s Environment and Social Management Plan (C-ESMP), in accordance with the Particular Conditions of Contract Sub-Clause 4.1, that includes the agreed Management Strategies and Implementation Plans described here.</p>
<b>ITB 13.1</b>	Alternative bids <b><i>shall not be</i></b> permitted.
<b>ITB 13.2</b>	Alternative times for completion <b><i>shall not be</i></b> permitted. If alternative times for completion are permitted, the evaluation method will be as specified in Section III (Evaluation and Qualification Criteria).
<b>ITB 13.4</b>	Alternative technical solutions shall be permitted for the following parts of the Works: <b><i>Not Applicable</i></b> If alternative technical solutions are permitted, the evaluation method will be as specified in Section III (Evaluation and Qualification Criteria).
<b>ITB 14.5</b>	The prices quoted by the Bidder <b><i>shall not be</i></b> subject to adjustment during the performance of the Contract.
<b>ITB 18.1</b>	The bid validity period shall be: <b><i>one hundred twenty (120)</i></b> days.
<b>ITB 18.3 (a)</b>	<b><i>Not applicable</i></b>
<b>ITB 20.1</b>	In addition to the original of the bid, the number of copies is: <b><i>three (3) copies and one (1) CD</i></b>
<b>ITB 20.2</b>	<p>The written confirmation of authorization to sign on behalf of the Bidder shall consist of:</p> <p><b><i>An organizational document, board resolution or its equivalent, or power of attorney specifying the representative’s authority to sign the Bid on behalf of, and to legally bind the Bidder. If the Bidder is an intended or an existing joint venture, the power of attorney should be signed by all partners and specify the authority of the named representative of the Joint Venture to sign on behalf of, and legally bind the intended or existing Joint Venture. If the Joint Venture has not yet been formed, also include evidence from all proposed Joint Venture partners of their intent to enter into a Joint Venture in the event of a contract award in accordance with ITB 11.2.</i></b></p>

## D. Submission and Opening of Bids

<b>ITB 22.1</b>	For <b><u>bid submission purposes</u></b> only, the Employer's address is: <b><i>Department of Public Works and Transport</i></b> Attention: <b><i>Mr. Sinuan Kamdi, Acting Director of Department of Public Works and Transport, Oudomxay Province</i></b> Street Address: <b><i>Bancheng Road, Namkor II Bidge, Cheng Village, Xay District, Oudomxay Province</i></b> Floor/Room number: <b><i>Conference Room of Department of Public Works and Transport, Oudomxay Province</i></b> City: <b><i>Xay, Oudomxay Province</i></b> ZIP Code: None Country: <b><i>Lao PDR</i></b> <b>The deadline for bid submission is:</b> Date: <b><i>21 May 2018</i></b> Time: <b><i>1400 hours</i></b> Bidders <b><i>shall not</i></b> have the option of submitting their bids electronically.
<b>ITB 25.1</b>	The bid opening shall take place at: <b><i>Department of Public Works and Transport</i></b> Street Address: <b><i>Bancheng Road, Namkor II Bidge, Cheng Village, Xay District, Oudomxay Province</i></b> Floor/Room number: <b><i>Conference room of Department of Public Works and Transport, Oudomxay Province</i></b> City: <b><i>Xay, Oudomxay Province</i></b> Country: <b><i>Lao PDR</i></b> Date: <b><i>21 May 2018</i></b> Time: <b><i>1400 hours</i></b>
<b>ITB 25.3</b>	The Letter of Bid and Priced Bill of Quantities shall be initialed by <b><i>three (3)</i></b> representatives of the Employer conducting Bid opening

## E. Evaluation and Comparison of Bids

<b>ITB 32.1</b>	At this time the Employer <b><i>does not intend</i></b> to execute certain specific parts of the Works by sub-contractors selected in advance.
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<b>ITB 32.3</b>	<p>Contractor’s proposed subcontracting: Maximum percentage of subcontracting permitted is <b>10% of the total contract amount</b></p> <p>a) For specialized works to be subcontracted, ITB 32.2 should be followed.</p> <p>Additionally,</p> <p>b) Bidders planning to subcontract more than 10% of total volume of work shall specify, in the Letter of Bid, the activity (ies) or parts of the works to be subcontracted along with complete details of the sub-contractors and their qualification and experience. The qualification and experience of the sub-contractors must meet the minimum criteria for the relevant work to be subcontracted failing which such sub-contractors will not be permitted to participate.</p> <p>c) Sub-contractors’ qualification and experience will not be considered for evaluation of the Bidder. The Bidder on its own (without taking into account the qualification and experience of the sub-contractor) should meet the qualification criteria.</p>
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### **F. Award of Contract**

ITB 40.1 and 40.2	The successful Bidder shall be required to submit a performance security and an Environmental, Social, Health and Safety (ESHS) Performance Security.
ITB 41.1	<p>The Adjudicator proposed by the Employer is: <b><i>to be named upon contract award.</i></b></p> <p>The hourly fee for this proposed Adjudicator shall be: <b>25US\$.</b></p> <p>The biographical data of the proposed Adjudicator is as follows: <b><i>will be provided during contract award</i></b></p>
ITB 42.2	The name and address of the office where complaints to the Project Owner under IRR No. 063 are to be submitted is: <b><i>Procurement Monitoring Office of the Ministry of Finance</i></b>



## Section III - Evaluation and Qualification Criteria

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## **1. Evaluation**

In addition to the criteria listed in ITB 33.2 (a) – (e) the following criteria shall apply:

### **1.1 Adequacy of Technical Proposal**

Evaluation of the Bidder's Technical Proposal will include an assessment of the Bidder's technical capacity to mobilize key equipment and personnel for the contract consistent with its proposal regarding work methods, scheduling, and material sourcing in sufficient detail and fully in accordance with the requirements stipulated in Section VI (Works Requirements).

### **1.2 Multiple Contracts (Not Applicable)**

Pursuant to Sub-Clause 33.4 of the Instructions to Bidders, if Works are grouped in multiple contracts, evaluation will be as follows:

### **1.3 Alternative Completion Times (Not Applicable)**

An alternative Completion Time, if permitted under ITB 13.2, will be evaluated as follows:

### **1.4 Technical Alternatives (Not Applicable)**

Technical alternatives, if permitted under ITB 13.4, will be evaluated as follows:

### **1.5 Specialized Subcontractors (Not Applicable)**

Only the specific experience of sub-contractors for specialized works permitted by the Employer will be considered. The general experience and financial resources of the specialized sub-contractors shall not be added to those of the Bidder for purposes of qualification of the Bidder.

The specialized sub-contractors proposed shall be fully qualified for their work proposed, and meet the following criteria:

## 2. Qualification

Eligibility and Qualification Criteria			Compliance Requirements				Documentation
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
<b>1. Eligibility</b>							
1.1	<b>Nationality</b>	Nationality in accordance with ITB 4.3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments
1.2	<b>Conflict of Interest</b>	No conflicts of interest in accordance with ITB 4.2	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of Bid
1.3	<b>Bank Eligibility</b>	Not having been declared ineligible by the Bank, as described in ITB 4.4, 4.5, 4.6 and 4.7	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of Bid
1.4	<b>Government Owned Entity of the Borrower country</b>	Meets conditions of ITB 4.5	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments
1.5	<b>United Nations resolution or Borrower’s country law</b>	Not having been excluded as a result of prohibition in the Borrower’s country laws or official regulations against commercial relations with the Bidder’s country, or by an act of compliance with UN Security Council resolution, both in accordance with ITB 4.7 and Section V.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI – 1.1 and 1.2, with attachments

Eligibility and Qualification Criteria			Compliance Requirements				Documentation
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
<b>2. Historical Contract Non-Performance</b>							
2.1	<b>History of Non-Performing Contracts</b>	Non-performance of a contract <sup>5</sup> did not occur as a result of contractor default since <b>1<sup>st</sup> January 2013.</b>	Must meet requirement <sup>12</sup>	Must meet requirements	Must meet requirement <sup>6</sup>	N/A	Form CON-2
2.2	<b>Suspension Based on Execution of Bid Securing Declaration by the Employer or withdrawal of the Bid within Bid validity</b>	Not under suspension based on execution of a Bid Securing Declaration pursuant to ITB 4.6 or withdrawal of the Bid pursuant ITB 19.4.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Bid Submission Form
2.3	<b>Pending Litigation</b>	Bidder's financial position and prospective long term profitability sound according to criteria established in 3.1 below and assuming that all pending litigation will be resolved against the Bidder	Must meet requirement	N/A	Must meet requirement	N/A	Form CON – 2

<sup>5</sup> Non-performance, shall be decided by the Employer based on contract terminations due to fault of the contractor in execution of the contract, including all contracts where (a) termination was not challenged by the contractor, including through referral to the dispute resolution mechanism under the respective contract, and (b) termination was so challenged but finally settled against the contractor. Non-performance shall not include instances where Employers decision was overruled by the dispute resolution mechanism. Non-performance must be based on all information on finally settled disputes or litigation if applicable, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Bidder have been exhausted.

<sup>6</sup> This requirement also applies to contracts executed by the Bidder as JV member.

Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
2.4	<b>Litigation History</b>	No consistent history of court/arbitral award decisions against the Bidder <sup>7</sup> since <b>1<sup>st</sup> January 2013</b> .	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Form CON – 2
2.5	<b>Declaration: Environmental, Social, Health, and Safety (ESHS) past performance</b>	Declare any civil work contracts that have been suspended or terminated and/or performance security called by an employer for reasons related to the non-compliance of any environmental, or social, (including sexual exploitation and abuse (SEA) and gender-based violence (GBV)), violence against children (VAC) or health or safety requirements or safeguard in the past five years <sup>8</sup> .	Must make the declaration. Where there are Specialized Sub-contractor/s, the Specialized Sub-contractor/s must also make the declaration.	N/A	Each must make the declaration. Where there are Specialized Sub-contractor/s, the Specialized Sub-contractor/s must also make the declaration.	N/A	Form CON-3 ESHS Performance Declaration

<sup>7</sup>The Bidder shall provide accurate information on the letter of Bid about any litigation or arbitration resulting from contracts completed or ongoing under its execution over the last five years. A consistent history of court/arbitral awards against the Bidder or any member of a joint venture may result in disqualifying the Bidder.

<sup>8</sup> The Employer may use this information to seek further information or clarifications in carrying out its due diligence.

Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
<b>3. Financial Situation and Performance</b>							
3.1	<b>Financial Capabilities</b>	<p>(i) The Bidder shall demonstrate that it has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means (independent of any contractual advance payment) sufficient to meet the construction cash flow requirements estimated as <b>Lao Kip 1.5 billion</b>, for the subject contract(s) net of the Bidders other commitments</p> <p>(ii) The Bidders shall also demonstrate, to the satisfaction of the Employer, that it has adequate sources of finance to meet the cash flow requirements on works currently in progress and for future contract commitments.</p> <p>(iii) The audited balance sheets or, if not required by the laws of the Bidder's country, other financial statements acceptable to the Employer, for the last <b>five (5) years (2013, 2014, 2015, 2016, 2017)</b> shall be submitted and must demonstrate the current soundness of the Bidder's financial position and indicate its prospective long-term</p>	Must meet requirement	Must meet Requirement	N/A	N/A	Form FIN – 3.1, with attachments
			Must meet requirement	Must meet requirement	N/A	N/A	
			Must meet requirement	N/A	Must meet requirement	N/A	

Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
		profitability.					
3.2	<b>Average Annual Construction Turnover</b>	Minimum average annual construction turnover of <b>Lao Kip 12 billion</b> , calculated as total certified payments received for contracts in progress and/or completed within the last <b>five (5)</b> years ( <b>2013, 2014, 2015, 2016, 2017</b> ), divided by <b>five (5)</b> years	Must meet requirement	Must meet requirement	Must meet _____%, _____ of the requirement	Must meet _____%, _____ of the requirement	Form FIN – 3.2

Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
<b>4. Experience</b>							
4.1 (a)	<b>General Construction Experience</b>	Experience under construction contracts in the role of prime contractor, JV member, sub-contractor, or management contractor for at least the last <b>five (5) years, starting 2013.</b>	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP – 4.1
4.2 (a)	<b>Specific Construction &amp; Contract Management Experience</b>	(i) A minimum number of similar <sup>9</sup> contracts specified below that have been satisfactorily and substantially <sup>10</sup> completed as a prime contractor, joint venture member <sup>11</sup> , management contractor or sub-contractor <sup>11</sup> between <b>1st January 2013</b> and application submission deadline: (i) <b>two (2) contracts</b> , each of minimum value of <b>Lao Kip 10 billion;</b>	Must meet requirement	Must meet requirement <sup>12</sup>	N/A	N/A	Form EXP 4.2(a)

<sup>9</sup>The similarity shall be based on the physical size, complexity, methods/technology and/or other characteristics described in Section VII, Work's Requirements. Summation of number of small value contracts (less than the value specified under requirement) to meet the overall requirement will not be accepted.

<sup>10</sup> Substantial completion shall be based on 80% or more works completed under the contract.

<sup>11</sup> For contracts under which the Bidder participated as a joint venture member or sub-contractor, only the Bidder's share, by value, shall be considered to meet this requirement.

<sup>12</sup> In the case of JV, the value of contracts completed by its members shall not be aggregated to determine whether the requirement of the minimum value of a single contract has been met. Instead, each contract performed by each member shall satisfy the minimum value of a single contract as required for single entity. In determining whether the JV meets the requirement of total number of contracts, only the number of contracts completed by all members each of value equal or more than the minimum value required shall be aggregated.



Eligibility and Qualification Criteria			Compliance Requirements			Documentation	
No.	Subject	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
				All Parties Combined	Each Member	One Member	
4.2 (b)		For the above and any other contracts completed and under implementation as prime contractor, joint venture member, management contractor or sub-contractor <sup>13</sup> on or after the first day of the calendar year during the period stipulated in 4.2 (a) above, a minimum construction experience in the following key activities successfully completed <sup>14</sup> : <i>[list activities indicating volume, number or rate of production as applicable]</i> <sup>15</sup>	Must meet requirements	Must meet requirements	N/A	Must meet the following requirements for the key activities listed below <i>[list key activities and the corresponding minimum requirements]</i>	Form EXP – 4.2 (b)

<sup>13</sup>For contracts under which the Bidder participated as a joint venture member or sub-contractor, only the Bidder's share shall be counted to meet this requirement.

<sup>14</sup> Volume, number or rate of production of any key activity can be demonstrated in one or more contracts combined if executed during same time period. The rate of production shall be the annual production rate for the key construction activity (or activities).

<sup>15</sup> The minimum experience requirement for multiple contracts will be the sum of the minimum requirements for respective individual contracts.

## Section IV - Bidding Forms

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## Letter of Bid

*The Bidder must prepare the Letter of Bid on stationery with its letterhead clearly showing the Bidder's complete name and address.*

*Note: All italicized text is for use in preparing these forms and shall be deleted from the final products.*

Date: *[insert date (as day, month and year) of Bid Submission]*

NCB No.: *[insert number of bidding process]*

Invitation for Bid No.: *[insert identification]*

Alternative No.: *[insert identification No if this is a Bid for an alternative]*

To: *[insert complete name of Employer]*

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB 8)\_\_\_;
- (b) We meet the eligibility requirements and have no conflict of interest in accordance with ITB 4;
- (c) We have not been suspended nor declared ineligible by the Employer based on execution of a Bid Securing Declaration in the Employer's country in accordance with ITB 4.6
- (d) We offer to execute in conformity with the Bidding Documents the following Works: *[insert a brief description of the Works];*
- (e) The total price of our Bid, excluding any discounts offered in item (f) below is:

In case of only one lot, total price of the Bid *[insert the total price of the bid in words and figures,];*

In case of multiple lots, total price of each lot *[insert the total price of each lot in words and figures,];*

In case of multiple lots, total price of all lots (sum of all lots) *[insert the total price of all lots in words and figures,];*

- (f) The discounts offered and the methodology for their application are:
  - (i) The discounts offered are: *[Specify in detail each discount offered.]*
  - (ii) The exact method of calculations to determine the net price after application of discounts is shown below: *[Specify in detail the method that shall be used to apply the discounts];*
- (g) Our bid shall be valid for a period in accordance with ITB 18 of the Instructions to Bidders of the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

- (h) If our bid is accepted, we commit to obtain a performance security and an Environmental, Social, Health and Safety (ESHS) Performance Security in accordance with the Bidding Documents;
- (i) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 4.2(e), other than alternative bids submitted in accordance with ITB 13;
- (j) Our firm, its affiliates or subsidiaries, including any of our subcontractors or suppliers for any part of the contract have not been declared ineligible by the Bank or by an act of compliance with a decision of the United Nations Security Council or by an act of compliance with a decision of the United Nations Security Council;
- (k) We are not a government owned entity/ We are a government owned entity but meet the requirements of ITB 4.5;<sup>16</sup>
- (l) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract: ***[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]***

Name of Recipient	Address	Reason	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(If none has been paid or is to be paid, indicate “none.”)

- (m) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and
- (n) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
- (o) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption.
- (p) We agree to permit the Bank or its representative to inspect our accounts and records and other documents relating to the bid submission and to have them audited by auditors appointed by the Bank.

Name of the Bidder\* ***[insert complete name of person signing the Bid]***

Name of the person duly authorized to sign the Bid on behalf of the Bidder\*\* ***[insert complete name of person duly authorized to sign the Bid]***

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<sup>16</sup>*Bidder to use as appropriate*

Title of the person signing the Bid *[insert complete title of the person signing the Bid]*

Signature of the person named above *[insert signature of person whose name and capacity are shown above]*

Date signed *[insert date of signing]* day of *[insert month]*, *[insert year]*

\*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

\*\* : Person signing the Bid shall have the power of attorney given by the Bidder to be attached with the Bid Schedules.

## **Schedules**

### **Bill of Quantities**

#### **A. PREAMBLE**

1. The Bills of Quantity shall be read in conjunction with the General and Particular Conditions of Contract, Technical Specifications and Drawings.
2. The quantities given in the Bills of Quantity are estimated and provisional and are given to provide a common basis for bidding. The basis of payment will be the actual quantities of work ordered and carried out, as measured by the Contractor and verified by the Engineer and valued at the rates and prices bid in the priced Bills of Quantity, where applicable, and otherwise at such rates as the Engineer may fix within the terms of the Contract.
3. The rates and prices in the priced Bills of Quantity shall, except as otherwise provided under the Contract, include all construction equipment, labour, supervision, materials, erection, maintenance, insurance, profit, taxes and duties, together with all general risks, liabilities and obligations set out or implied in the Contract.
4. A rate or price shall be entered against each item in the priced Bills of Quantity, whether quantities are stated or not. The cost of items against which the Contractor has failed to enter a rate or price shall be deemed to be covered by other rates and prices entered in the Bills of Quantity.
5. The whole cost of complying with the provisions of the Contract shall be included in the items provided in the priced Bills of Quantity, and where no items are provided, the cost shall be deemed to be distributed among the rates and prices entered for the related Items of Work.
6. General directions and descriptions of work and materials are not necessarily repeated nor summarized in the Bills of Quantity. References to the relevant sections of the Contract documentation shall be made before entering prices against each item in the priced Bills of Quantity.
7. Provisional sums included and so designated in the Bills of Quantity shall be expended in whole or in part at the direction and discretion of the Engineer in accordance with the Conditions of Contract.
8. The method of measurement of completed work for payment shall be in accordance with the Specifications and Particular Specifications.
9. Arithmetic errors will be corrected by the Employer as follows:
  - a) if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Employer there is an obvious

misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;

- b) if there is an error in a total corresponding to the addition or subtraction of totals, the subtotals shall prevail and the total shall be corrected; and
- c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to a) and b) above.

10. Rock is defined as solid un-fractured material that cannot be excavated by a hydraulic excavator rated at 100kW power rating, efficiently operated and fitted with a rock bucket less than 600 mm wide with ripper teeth but requires the use of a hydraulic excavator fitted with a rock breaker, or a pneumatic jack hammer, or the use of explosives to loosen the rock. Any isolated boulders or broken fractured materials of less than 0.25m<sup>3</sup> (780mm equivalent diameter) shall not be considered as rock. Concrete of any type shall not be considered as rock.

**B. WORK ITEMS**

**Bill 100 – General Provisions**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
<b>Securities and Insurances</b>					
101-1	Performance Security	lump sum	1		
101-2	Bank Guarantee for Advance Payment	lump sum	1		
101-3	Insurance of the Works	lump sum	1		
101-4	Insurance of Contractor's Equipment	lump sum	1		
104-5	Third Party Insurance	lump sum	1		
<b>Miscellaneous Obligations</b>					
102-6	Contract Sign Board	number	2		
102-8	Progress Photographs	month	20		
PS3-1	Provision of Safety Organization, Safety Activities and Safety Measures	Lump Sum	1		
<b>Contractor's Establishments</b>					
103-1	Provision of Contractor's Establishments	lump sum	1		
103-2	Maintenance of Contractor's Establishments	month	20		
<b>Facilities for the Project Manager</b>					
104-2	Maintenance of Project Manager's Office	month	20		
104-5	Field Equipment	lump sum	1		
<b>Laboratory Facilities</b>					
105-1	Provision of Main Laboratory	Number	1		
105-2	Maintenance of Main Laboratory	month	20		
<b>BILL TOTAL</b> (Carried forward to Summary of Bills):					



**Bill 200 – Earthworks**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Preparatory Works</b>				
201-1	Clearing and Grubbing	m <sup>2</sup>	133,714		
	<b>Removal Works</b>				
201-3	Removal of Trees (Provisional)	number	10		
202-1	Removal of Structures (Provisional)	m <sup>3</sup>	100		
202-3	Removal of Concrete Pipe Culverts	m	150		
202-4	Removal of Timber Structures >6m <sup>2</sup> (Provisional)	m <sup>3</sup>	100		
	<b>General Excavation</b>				
203-1	Common Excavation	m <sup>3</sup>	25,000		
203-3	Unsuitable Excavation (Provisional)	m <sup>3</sup>	1,000		
	<b>Embankment Works</b>				
204-2	Embankment from Excavated Materials	m <sup>3</sup>	10,000		
	<b>Structural Excavation</b>				
207-1	Structural Excavation (Common)	m <sup>3</sup>	500		
207-2	Structural Excavation (Rock)	m <sup>3</sup>	200		
	<b>BILL TOTAL</b> (Carried forward to Summary of Bills):				

**Bill 300 – Pavement**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Sub-Base</b>				
301-1	Sub-base Type A	m <sup>3</sup>	4,781		
301-2	Gravel Wearing Course	m <sup>3</sup>	11,549		
	<b>Base Course</b>				
302-2	Base Course Type B	m <sup>3</sup>	4,417		
	<b>Prime Coat</b>				
303-1	Prime Coat	liter	38,147		
	<b>Surface Treatment</b>				
304-1	Seal Coat	liter	93,247		
304-2	Cover Material (16 mm nominal size)	m <sup>3</sup>	551		
304-3	Cover Material (10 mm nominal size)	m <sup>3</sup>	381		
	<b>BILL TOTAL</b> (Carried forward to Summary of Bills):				

**Bill 400 – Drainage**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Pipe Culverts</b>				
402-2	Pipe Culverts, 1000 mm diameter	m	535		
	<b>Drains, Apron Protection and Inlet and Outlet Structures for Pipe Culverts</b>				
404-1	Concrete (Grade 25) for Reinforced Concrete Drains, Manholes and Inlet/Outlet Structures	m <sup>3</sup>	305		
404-2	Reinforcing Steel for Reinforced Concrete Drains, Manholes and Inlet/Outlet Structures	tonne	13		
404-3	Underdrain Perforated PVC Pipe, 200 mm diameter	m	50		
404-4	Concrete Grade 20 MPa for Concrete Lined Drain	m <sup>3</sup>	8,477		
404-5	Stone Masonry	m <sup>3</sup>	100		
404-6	Concrete Curbs	m <sup>3</sup>	200		
	<b>BILL TOTAL</b> (Carried forward to Summary of Bills):				

**Bill 600 – Miscellaneous**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
<b>Protection Works</b>					
601-1	Box Gabions	m <sup>3</sup>	50		
601-2	Gabion Mattresses	m <sup>3</sup>	100		
601-3	Geotextile Sheeting	m <sup>2</sup>	1,000		
602-1	Rip-rap Slope Protection	m <sup>3</sup>	200		
<b>Road Furniture</b>					
603-1	Guardrail	m	200		
<b>Traffic Markings</b>					
604-1	Traffic Markings	m <sup>2</sup>	3,820		
<b>Traffic Signs</b>					
605-1	Traffic Signs (Single Post)	number	25		
605-2	Traffic Signs (Double Post)	number	14		
<b>Miscellaneous</b>					
606-1	Kilometer Posts	number	20		
606-2	Edge Marker (Guide) Posts	number	84		
<b>BILL TOTAL</b> (Carried forward to Summary of Bills):					

**Bill 700 – Contractor’s Environmental and Social Management Plan (C-ESMP)**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
700-1	Provision of Contractor’s Environmental and Social Management Plan and Implementation as required by the ESMP	Provisional Sum	1		
700-2	Provision of labor influx, Sexual Exploitation and Abuse (SEA) /Gender based Violence (GBV), Violence against Children, Awareness and Sensitization Training	Provisional Sum	1		
<b>BILL TOTAL</b> (Carried forward to Summary of Bills):					

## C. DAYWORK SCHEDULE

### General

Work shall not be executed on a daywork basis except by written order of the Engineer. Basic rates for daywork items in the Schedules shall apply to any quantity of daywork ordered by the Engineer. Nominal quantities have been indicated against each item of daywork.

### Daywork Labour

In calculating payments due to the Contractor for the execution of daywork, the hours for labour will be reckoned from the time of arrival of the labour at the job site to execute the particular item of daywork to the time of return to the original place of departure, but excluding meal breaks and rest periods. Only the time of classes of labour directly doing work ordered by the Engineer and for which they are competent to perform will be measured. The time of gangers (charge hands) actually doing work with the gangs will also be measured but not the time of the foremen or supervisory personnel.

The Contractor shall be entitled to payment in respect of the total time that labour is employed on daywork, calculated at the basis rates entered by him in the **Schedule of Daywork Rates: 1. Labour**. The rates for labour shall be deemed to cover all costs to the Contractor including (but not limited to) the amount of wages paid to such labour, transportation time, overtime, subsistence allowances, and any sums paid to or on behalf of such labour for social benefits in accordance with the laws of Lao PDR, as well as Contractor's profit, overheads, superintendence, liabilities and insurance and allowance to labour, timekeeping and clerical and office work, the use of consumable stores water, lighting and power; the use and repair of stagings, scaffolding workshops and stores portable power tools, manual plant and tools; supervision by the Contractor's staff, foremen and other supervisory personnel; and charges incidental to the foregoing. The rates shall be stated in United States dollars.

### Daywork Materials

The Contractor shall be entitled to payment in respect of materials used for daywork (except for materials for which the cost is included in the percentage addition to labour costs as detailed above), at the rates entered by him in the **Schedule of Daywork Rates: 2 Materials** and shall be deemed to include overhead charges and profit as follows:

- a) the rates for materials shall be calculated on the basis of the invoiced price, freight, insurance, handling expenses, damage, losses, etc., and shall provide for delivery to store for stockpiling at the Site. The rates shall be stated in Lao Kips.
- b) The cost of hauling materials for use on work ordered to be carried out as daywork from the store or stockpile on the Site to the place where it is to be used will be paid in accordance with the terms for Labour and Construction Plant in this Schedule.

### Daywork Contractor's Equipment

The Contractor shall be entitled to payments in respect of Contractor's Equipment already on site and employed on daywork at the basic rental rates entered by him in the **Schedule of Daywork Rates: 3. Constructional Plant**. The said rates shall be deemed to include due and complete allowance for depreciation, interest, indemnity and insurance, repairs, maintenance, supplies, fuel, lubricants, and other consumables, and all overhead

profit and administrative costs related to the use of such equipment. The cost of drivers, operators and assistants will be paid for separately as described under the section on Labour.

In calculating the payment due to the Contractor's Equipment employed on daywork, only the actual number of working hours will be eligible for payment, except that where applicable and agreed with the Engineer, the travelling time from the part of the Site where the Constructional Plant was located when ordered by the Engineer to be employed on daywork and the time for return journey thereto shall be included for payment.

The basic rental rates for Contractor's Equipment employed on daywork shall be stated in Lao Kips.

#### Daywork Schedule 1 – Labour

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Local Labour</b>				
DS1-1	Leading hand/ Surveyor	hr	50		
DS1-2	Skilled Operator (Tradesman)	hr	50		
DS1-3	Labourer	hr	50		
	<b>SCHEDULE TOTAL</b> (Carried forward to Daywork Summary)				

#### Daywork Schedule 2 – Materials

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Materials Produced On Site</b>				
DS2-1	Washed natural gravel aggregate	m <sup>3</sup>	100		
DS2-2	Crushed gravel aggregate	m <sup>3</sup>	50		
	<b>Material Purchased</b>				
DS2-5	Cement	tonne	10		
DS2-6	Cut-back asphalt	liter	1,000		
DS2-7	Steel reinforcing	tonne	10		
DS2-8	Riprap	m <sup>3</sup>	100		
DS2-9	Timber planks	m <sup>3</sup>	50		
	<b>SCHEDULE TOTAL</b> (Carried forward to Daywork Summary)				

**Daywork Schedule 3 – Contractor’s Equipment**

Item No.	Description	Unit	Quantity	Unit Price (Lao Kip)	Amount (Lao Kip)
	<b>Transport and Hauling</b>				
DS3-1	Dump Truck, 8-10m <sup>3</sup>	hr	50		
DS3-2	Water Tanker with spray bar	hr	50		
	<b>Excavating and Earthmoving</b>				
DS3-3	Excavator, 80-100 hp	hr	50		
DS3-4	Bulldozer with ripping equipment, 200-300 hp	hr	50		
DS3-5	Motor Grader, 100-120 hp	hr	50		
	<b>Loading and Lifting</b>				
DS3-6	Track Loader, 180-220 hp	hr	50		
DS3-7	Wheel Loader, 100-150 hp	hr	50		
	<b>Compacting</b>				
DS3-8	Steel-wheeled Roller, self-propelled, 10-12t	hr	50		
DS3-9	Rubber-wheeled Roller, self-propelled 10-12t	hr	50		
DS3-10	Vibrating Roller, self-propelled, 12-15t (base)	hr	50		
DS3-11	Padfoot Roller, 60"	hr	50		
	<b>Concreting</b>				
DS3-12	Concrete Mixer, 3-6 m <sup>3</sup> /hr	hr	50		
	<b>SCHEDULE TOTAL (Carried forward to Daywork Summary)</b>				



**DAYWORK SUMMARY**

Description	Amount (Lao Kip)
Daywork Schedule 1 – Labour	
Daywork Schedule 2 – Materials	
Daywork Schedule 3 – Contractor Equipment	
<b>TOTAL (Carried forward to Summary of Bills)</b>	

**SECTION D – SUMMARY OF BILLS**

Description	Amount (Lao Kip)
Bill 100    General Provisions	
Bill 200    Earthworks	
Bill 300    Pavement	
Bill 400    Drainage	
Bill 600    Miscellaneous	
Bill 700    Contractor’s Environmental and Social Management Plan (C-ESMP)	
<b>Sub - Total (Bills 100 - 700)</b>	
Contingencies (at 5% of Sub-Total)	
<b>SUB-TOTAL (with Contingencies)</b>	
Daywork Summary	
<b>TOTAL CONTRACT COST</b> (to be entered in Bid as Bid Sum)	

**Schedule(s) of Adjustment Data**  
**(Not applicable)**

<b>Index Code</b>	<b>Index Description</b>	<b>Source of Index</b>	<b>Base Value and Date</b>	<b>Bidder's Local Currency Amount</b>	<b>Bidder's Proposed Weighting</b>
	Nonadjustable				A:
Ll	Labour				B:
Mm	Materials				C:
E	Equipment				D:
F	Fuel				E:
<b>Total</b>					<b>1.00</b>

## Form of Bid-Securing Declaration

Date: *[insert date (as day, month and year)]*

Bid No.: *[insert number of bidding process]*

Alternative No.: *[insert identification No if this is a Bid for an alternative]*

To: *[insert complete name of Employer]*

We, the undersigned, declare that:

We understand that, according to your conditions, bids must be supported by a Bid-Securing Declaration.

We accept that we will automatically be suspended from being eligible for bidding in any contract with the entity that invited Bids for the period of time of two years starting on *[insert date]*, if we are in breach of our obligation(s) under the bid conditions, because we:

- (a) have withdrawn our Bid during the period of bid validity specified in the Letter of Bid or extended in accordance with ITB18; or
- (b) having been notified of the acceptance of our Bid by the Employer during the period of bid validity, (i) fail or refuse to execute the Contract, if required, or (ii) fail or refuse to furnish the Performance Security and if required, the Environmental, Social, Health and Safety (ESHS) Performance Security covering labor influx and worker camping management, Gender-based Violence (GBV) and Violence against Children (VAC) prevention plan in accordance with the ITB.

We understand this Bid-Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of (i) our receipt of your notification to us of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of our Bid.

Name of the Bidder\* \_\_\_\_\_ *[insert complete name of person signing the Bid]*

Name of the person duly authorized to sign the Bid on behalf of the Bidder\*\* *[insert complete name of person duly authorized to sign the Bid]*

Title of the person signing the Bid *[insert complete title of the person signing the Bid]*

Signature of the person named above \_\_\_\_\_ *[insert signature of person whose name and capacity are shown above]*

Date signed *[insert date of signing]* day of *[insert month]*, *[insert year]*

\*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

\*\* : Person signing the Bid shall have the power of attorney given by the Bidder to be attached with the Bid *[Note: In case of a Joint Venture, the Bid-Securing Declaration must be in the name of all members to the Joint Venture that submits the bid.]*

# **Technical Proposal**

## **Technical Proposal Forms**

**Personnel**

**Equipment**

**Site Organization**

**Method Statement**

**Mobilization Schedule**

**Construction Schedule**

**Others**

## **Forms for Personnel**

### **Form PER – 1: Proposed Personnel**

Bidders should provide the names of suitably qualified personnel to meet the specified requirements for each of the positions listed in Section III (Evaluation and Qualification Criteria). The data on their experience should be supplied using the Form below for each candidate.

<b>1.</b>	<b>Title of position</b>
	<b>Name</b>
<b>2.</b>	<b>Title of position</b>
	<b>Name</b>
<b>3.</b>	<b>Title of position</b>
	<b>Name</b>
<b>4.</b>	<b>Title of position</b>
	<b>Name</b>
<b>5.</b>	<b>Title of position</b>
	<b>Name</b>
<b>6.</b>	<b>Title of position</b>
	<b>Name</b>
<b>etc.</b>	<b>Title of position</b>
	<b>Name</b>

## Form PER – 2: Resume of Proposed Personnel

The Bidder shall provide all the information requested below. Fields with asterisk (\*) shall be used for evaluation.

<b>Position*</b>		
<b>Personnel information</b>	<b>Name *</b>	<b>Date of birth</b>
	<b>Professional qualifications</b>	
<b>Present employment</b>	<b>Name of Employer</b>	
	<b>Address of Employer</b>	
	<b>Telephone</b>	<b>Contact (manager / personnel officer)</b>
	<b>Fax</b>	<b>E-mail</b>
	<b>Job title</b>	<b>Years with present Employer</b>

Summarize professional experience in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

<b>From*</b>	<b>To*</b>	<b>Company, Project , Position, and Relevant Technical and Management Experience*</b>

## Forms for Equipment

The Bidder shall provide adequate information to demonstrate clearly that it has the capability to meet the requirements for the key equipment listed in Section III (Evaluation and Qualification Criteria). A separate Form shall be prepared for each item of equipment listed, or for alternative equipment proposed by the Bidder. The Bidder shall provide all the information requested below, to the extent possible. Fields with asterisk (\*) shall be used for evaluation.

<b>Type of Equipment*</b>	
<b>Equipment Information</b>	Name of manufacturer, <span style="float: right;">Model and power rating</span>
	Capacity* <span style="float: right;">Year of manufacture*</span>
<b>Current Status</b>	Current location
	Details of current commitments
<b>Source</b>	Indicate source of the equipment <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Leased <input type="checkbox"/> Specially manufactured

The following information shall be provided only for equipment not owned by the Bidder.

<b>Owner</b>	Name of owner	
	Address of owner	
	Telephone	Contact name and title
	Fax	Telex
<b>Agreements</b>	Details of rental / lease / manufacture agreements specific to the project	

## **Bidder's Qualification**

To establish its qualifications to perform the contract in accordance with Section III (Evaluation and Qualification Criteria) the Bidder shall provide the information requested in the corresponding Information Sheets included hereunder



## Form ELI -1.1: Bidder Information Form

Date: \_\_\_\_\_  
NCB No. and title: \_\_\_\_\_  
Page \_\_\_\_\_ of \_\_\_\_\_ pages

Bidder's name
In case of Joint Venture (JV), name of each member:
Bidder's actual or intended country of registration:
Bidder's actual or intended year of incorporation:
Bidder's legal address [in country of registration]:
Bidder's authorized representative information Name: _____ Address: _____ Telephone/Fax numbers: _____ E-mail address: _____
1. Attached are copies of original documents of <input type="checkbox"/> Articles of Incorporation (or equivalent documents of constitution or association), and/or documents of registration of the legal entity named above, in accordance with ITB 4.3. <input type="checkbox"/> In case of JV, letter of intent to form JV or JV agreement, in accordance with ITB 4.1. <input type="checkbox"/> In case of Government-owned enterprise or institution, in accordance with ITB 4.5 documents establishing: <ul style="list-style-type: none"><li>• Legal and financial autonomy</li><li>• Operation under commercial law</li><li>• Establishing that the Bidder is not dependent agency of the Employer</li></ul>
2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

## Form ELI -1.2: Information Form for JV Bidders

(to be completed for each member of Joint Venture)

Date: \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Bidder's Joint Venture name:

JV member's name:

JV member's country of registration:

JV member's year of incorporation:

JV member's legal address in country of registration:

JV member's authorized representative information

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone/Fax numbers: \_\_\_\_\_

E-mail address: \_\_\_\_\_

1. Attached are copies of original documents of

- Articles of Incorporation (or equivalent documents of constitution or association), and/or registration documents of the legal entity named above, in accordance with ITB 4.3.
- In case of a Government-owned enterprise or institution, documents establishing legal and financial autonomy, operation in accordance with commercial law, and absence of dependent status, in accordance with ITB 4.5.

2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

## Form CON – 2: Historical Contract Non-Performance, Pending Litigation and Litigation History

Bidder's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Joint Venture Member's Name \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Non-Performed Contracts in accordance with Section III, Evaluation Criteria and Qualifications			
<input type="checkbox"/> Contract non-performance did not occur since 1 <sup>st</sup> January <b>2011</b> specified in Section III, Evaluation Criteria and Qualifications, Sub-Factor 2.1.			
<input type="checkbox"/> Contract(s) not performed since 1 <sup>st</sup> January <b>2011</b> specified in Section III, Evaluation Criteria and Qualifications, requirement 2.1			
Year	Non-performed portion of contract	Contract Identification	Total Contract Amount (current value, currency, exchange rate and Kip equivalent)
		Contract Identification: Name of Employer: Address of Employer: Reason(s) for non-performance:	
Pending Litigation, in accordance with Section III, Evaluation Criteria and Qualifications			
<input type="checkbox"/> No pending litigation in accordance with Section III, Evaluation Criteria and Qualifications, Sub-Factor 2.3.			
<input type="checkbox"/> Pending litigation in accordance with Section III, Evaluation Criteria and Qualifications, Sub-Factor 2.3 as indicated below.			

### Form CON – 3

## Environmental, Social, Health, and Safety

### Performance Declaration

*[The following table shall be filled in for the Bidder, each member of a Joint Venture and each Specialized Subcontractors]*

Bidder's Name: *[insert full name]*

Date: *[insert day, month, year]*

Joint Venture Member's or Specialized Subcontractor's Name: *[insert full name]*

ICB No. and title: *[insert ICB number and title]*

Page *[insert page number]* of *[insert total number]* pages

<b>Environmental, Social, Health, and Safety Performance Declaration</b> in accordance with Section III, Qualification Criteria, and Requirements of the Prequalification document			
<input type="checkbox"/> <b>No suspension or termination of contract:</b> An employer has not suspended or terminated a contract and/or called the performance security for a contract for reasons related to Environmental, Social, Health, or Safety (ESHS) performance covering labor influx and workers camping management, Gender-based Violence (GBV) and Violence against Children (VAC) since the date specified in Section III, Qualification Criteria, and Requirements, Sub-Factor 2.5.			
<input type="checkbox"/> <b>Declaration of suspension or termination of contract:</b> The following contract(s) has/have been suspended or terminated and/or Performance Security called by an employer(s) for reasons related to Environmental, Social, Health, or Safety (ESHS) performance since the date specified in Section III, Qualification Criteria, and Requirements, Sub-Factor 2.5. Details are described below:			
Year	Suspended or terminated portion of contract	Contract Identification	Total Contract Amount (current value, currency, exchange rate and US\$ equivalent)
<i>[insert year]</i>	<i>[insert amount and percentage]</i>	Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i> Name of Employer: <i>[insert full name]</i> Address of Employer: <i>[insert street/city/country]</i> Reason(s) for suspension or termination: <i>[indicate main reason(s) e.g. for GBV/ VAC/SEA breaches]</i>	<i>[insert amount]</i>
<i>[insert year]</i>	<i>[insert amount and percentage]</i>	Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i> Name of Employer: <i>[insert full name]</i>	<i>[insert amount]</i>

		Address of Employer: <i>[insert street/city/country]</i> Reason(s) for suspension or termination: <i>[indicate main reason(s) e.g. GBV/VAC/SEA breaches]</i>	
...	...	<i>[list all applicable contracts]</i>	...
<b>Performance Security called by an employer(s) for reasons related to ESHS performance</b>			
Year	Contract Identification		Total Contract Amount (current value, currency, exchange rate and US\$ equivalent)
<i>[insert year]</i>	Contract Identification: <i>[indicate complete contract name/ number, and any other identification]</i> Name of Employer: <i>[insert full name]</i> Address of Employer: <i>[insert street/city/country]</i> Reason(s) for suspension or termination: <i>[indicate main reason(s) e.g. GBV/VAC/SEA breaches]</i>		<i>[insert amount]</i>

## **Form CCC: Current Contract Commitments / Works in Progress**

Bidders and each partner to a JV should provide information on their current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

Name of contract	Employer, contact address/tel./fax	Value of outstanding work (current Kip- equivalent)	Estimated completion date	Average monthly invoicing over last six months (Kip/month)
1.				
2.				
3.				
4.				
5.				
etc.				

## Form FIN – 3.1: Financial Situation and Performance

Bidder's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Joint Venture Member's Name \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

### 1. Financial data

Type of Financial information in (currency)	Historic information for previous <i>five (5) years</i> , (amount in currency, currency, exchange rate, Kip equivalent)				
	Year 1	Year 2	Year 3	Year4	Year 5
Statement of Financial Position (Information from Balance Sheet)					
Total Assets (TA)					
Total Liabilities (TL)					
Total Equity/Net Worth (NW)					
Current Assets (CA)					
Current Liabilities (CL)					
Working Capital (WC)					
Information from Income Statement					
Total Revenue (TR)					
Profits Before Taxes (PBT)					
Cash Flow Information					
Cash Flow from Operating Activities					

## 2. Sources of Finance

Specify sources of finance to meet the cash flow requirements on works currently in progress and for future contract commitments.

No.	Source of finance	Amount (Kip equivalent)
1		
2		
3		

## 3. Financial documents

The Bidder and its parties shall provide copies of financial statements for \_\_\_\_\_ years pursuant Section III, Evaluation and Qualifications Criteria, Sub-factor 3.2. The financial statements shall:

- (a) reflect the financial situation of the Bidder or in case of JV member , and not an affiliated entity (such as parent company or group member).
  - (b) be independently audited or certified in accordance with local legislation.
  - (c) be complete, including all notes to the financial statements.
  - (d) correspond to accounting periods already completed and audited.
- Attached are copies of financial statements<sup>17</sup> for the \_\_\_\_\_ years required above; and complying with the requirements

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<sup>17</sup> If the most recent set of financial statements is for a period earlier than 12 months from the date of bid, the reason for this should be justified.



## Form FIN - 3.2: Average Annual Construction Turnover

Bidder's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Joint Venture Member's Name \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

		<b>Annual turnover data (construction only)</b>	
<b>Year</b>	<b>Amount Currency</b>	<b>Exchange rate</b>	<b>Kip equivalent</b>
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Average Annual Construction Turnover *			

\* See Section III, Evaluation and Qualification Criteria, Sub-Factor 3.2.

### **Form FIN3.3: Financial Resources**

Specify proposed sources of financing, such as liquid assets, unencumbered real assets, lines of credit, and other financial means, net of current commitments, available to meet the total construction cash flow demands of the subject contract or contracts as specified in Section III (Evaluation and Qualification Criteria)

Source of financing	Amount (Kip equivalent)
1.	
2.	
3.	
4.	

## Form EXP - 4.1: General Construction Experience

Bidder's Name: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Joint Venture Member's Name \_\_\_\_\_  
 NCB No. and title: \_\_\_\_\_  
 Page \_\_\_\_\_ of \_\_\_\_\_ pages

Starting Year	Ending Year	Contract Identification	Role of Bidder
		Contract name: _____ Brief Description of the Works performed by the Bidder: _____ Amount of contract: _____ Name of Employer: _____ Address: _____	
		Contract name: _____ Brief Description of the Works performed by the Bidder: _____ Amount of contract: _____ Name of Employer: _____ Address: _____	
		Contract name: _____ Brief Description of the Works performed by the Bidder: _____ Amount of contract: _____ Name of Employer: _____ Address: _____	

## Form EXP - 4.2(a): Specific Construction and Contract Management Experience

Bidder's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Joint Venture Member's Name \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Similar Contract No.	Information			
Contract Identification				
Award date				
Completion date				
Role in Contract	Prime Contractor <input type="checkbox"/>	Member in JV <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	Sub-contractor <input type="checkbox"/>
Total Contract Amount			Kip *	
If member in a JV or sub-contractor, specify participation in total Contract amount			*	
Employer's Name:				
Address:				
Telephone/fax number				
E-mail:				

**Form EXP - 4.2(a) (cont.)**  
**Specific Construction and Contract Management Experience**  
**(cont.)**

<b>Similar Contract No.</b>	<b>Information</b>
Description of the similarity in accordance with Sub-Factor 4.2(a) of Section III:	
1. Amount	
2. Physical size of required works items	
3. Complexity	
4. Methods/Technology	
5. Construction rate for key activities	
6. Other Characteristics	

## Form EXP – 4.2(b): Construction Experience in Key Activities

Bidder's Name: \_\_\_\_\_

Date: \_\_\_\_\_

Joint Venture Member's Name \_\_\_\_\_

Sub-contractor's Name<sup>18</sup> (as per ITB 32.2 and 34.3): \_\_\_\_\_

NCB No. and title: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Sub-contractor's Name (as per ITB 32.2 and 34.3): \_\_\_\_\_

All Sub-contractors for key activities must complete the information in this form as per ITB 32.2 and 34.3 and Section III, Qualification Criteria and Requirements, Sub-Factor 4.2.

1. Key Activity No. One: \_\_\_\_\_

Information				
Contract Identification				
Award date				
Completion date				
Role in Contract	Prime Contractor <input type="checkbox"/>	Member in JV <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	Sub-contractor <input type="checkbox"/>
Total Contract Amount				Kip
Quantity (Volume, number or rate of production, as applicable) performed under the contract per year or part of the year	Total quantity in the contract (i)	Percentage participation (ii)	Actual Quantity Performed (i) x (ii)	
Year 1				
Year 2				
Year 3				
Year 4				
Employer's Name:				

<sup>18</sup> If applicable.

Address:	
Telephone/fax number	
E-mail:	

2. Activity No. Two

3. ....

	<b>Information</b>
Description of the key activities in accordance with Sub-Factor 4.2(b) of Section III:	

## **ESHS Management Strategies and Implementation Plans**

### **(ESHS-MSIP)**

The Bidder shall submit comprehensive and concise Environmental, Social, Health and Safety Management Strategies and Implementation Plans (ESHS-MSIP) including a plan for labor influx and worker camp risk management including Gender-based Violence, Violence against Children and sexual exploitation and abuse (GBV/VAC/SEA) prevention and response plan as required by ITB 11.1 (h) of the Bid Data Sheet. These strategies and plans shall describe in detail the actions, materials, equipment, management processes etc. that will be implemented by the Contractor, and its subcontractors.

In developing these strategies and plans, the Bidder shall have regard to the ESHS provisions of the contract including those as may be more fully described in the Works Requirements described in Section VII.

### **Code of Conduct: Environmental, Social, Health and Safety (ESHS)**

The Bidder shall submit the Code of Conduct that will apply to the Contractor's employees and subcontractors as required by ITB 11.1 (h) of the Bid Data Sheet. The Code of Conduct shall ensure compliance with the ESHS provisions of the contract, including those as may be more fully described in the *Works Requirements described in Section VII*.

In addition, the Bidder shall submit an outline of how this Code of Conduct will be implemented. This will include: how it will be introduced into conditions of employment/engagement, what training will be provided, how it will be monitored and how the Contractor proposes to deal with any breaches.



## Section V - Eligible Countries

### Eligibility for the Provision of Goods, Works and Services in Bank-Financed Procurement

1. In reference to ITB 4.7, and 5.1, for the information of the Bidders, at the present time firms, goods and services from the following countries are excluded from this bidding process:

Under ITB 4.7 (a) and 5.1      *None*

Under ITB 4.7 (b) and 5.1      *None*

## Section VI -1 Corrupt and Fraudulent Practices

(for World Bank financed contracts)

(This Section shall not be modified)

**Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011:**

### “Fraud and Corruption”:

1.16 It is the Bank’s policy to require that Borrowers (including beneficiaries of Bank loans), bidders, suppliers, contractors and their agents (whether declared or not), sub-contractors, sub-consultants, service providers or suppliers, and any personnel thereof, observe the highest standard of ethics during the procurement and execution of Bank-financed contracts.<sup>19</sup> In pursuance of this policy, the Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;<sup>20</sup>
  - (ii) “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;<sup>21</sup>
  - (iii) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;<sup>22</sup>
  - (iv) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;<sup>23</sup>
  - (v) “obstructive practice” is

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<sup>19</sup>In this context, any action to influence the procurement process or contract execution for undue advantage is improper.

<sup>20</sup> For the purpose of this sub-paragraph, “*another party*” refers to a public official acting in relation to the procurement process or contract execution. In this context, “*public official*” includes World Bank staff and employees of other organizations taking or reviewing procurement decisions.

<sup>21</sup> For the purpose of this sub-paragraph, “*party*” refers to a public official; the terms “benefit” and “obligation” relate to the procurement process or contract execution; and the “act or omission” is intended to influence the procurement process or contract execution.

<sup>22</sup> For the purpose of this sub-paragraph, “*parties*” refers to participants in the procurement process (including public officials) attempting either themselves, or through another person or entity not participating in the procurement or selection process, to simulate competition or to establish bid prices at artificial, non-competitive levels, or are privy to each other’s bid prices or other conditions.

<sup>23</sup> For the purpose of this sub-paragraph, “*party*” refers to a participant in the procurement process or contract execution.

- (aa) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
  - (bb) acts intended to materially impede the exercise of the Bank’s inspection and audit rights provided for under paragraph 1.16(e) below.
- (b) will reject a proposal for award if it determines that the bidder recommended for award, or any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- (c) will declare mis-procurement and cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement or the implementation of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- (d) will sanction a firm or individual, at any time, in accordance with the prevailing Bank’s sanctions procedures,<sup>24</sup> including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; and (ii) to be a nominated<sup>25</sup>;
- (e) will require that a clause be included in bidding documents and in contracts financed by a Bank loan, requiring bidders, suppliers and contractors, and their sub-contractors, agents, personnel, consultants, service providers, or suppliers, to permit the Bank to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Bank.”

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<sup>24</sup> A firm or individual may be declared ineligible to be awarded a Bank financed contract upon: (i) completion of the Bank’s sanctions proceedings as per its sanctions procedures, including, inter alia, cross-debarment as agreed with other International Financial Institutions, including Multilateral Development Banks, and through the application the World Bank Group corporate administrative procurement sanctions procedures for fraud and corruption; and (ii) as a result of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding. See footnote 14 and paragraph 8 of Appendix 1 of these Guidelines.

<sup>25</sup> A nominated sub-contractor, consultant, manufacturer or supplier, or service provider (different names are used depending on the particular bidding document) is one which has either been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

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## **PART 2 – Works Requirements**



## Section VII - Works Requirements

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# **Specifications**

*(this volume)*

## **Drawings**

*(see separate volume)*



## **Supplementary Information**

## **Personnel Requirements**

Using Form PER-1 and PER-2 in Section 4 (Bidding Forms), the Bidder must demonstrate it has personnel that meet the following requirements:

No.	<b>Position Total Work Experience [years]</b>	<b>Experience In Similar Work [years]</b>
1	Project Manager (Construction)	10
2	Road Engineer	8
3	Materials Engineer	8
4	Drainage Engineer	5
5	Construction Supervisor/Foreman	8
6	Safety/Environmental Officer	5

## **Equipment Requirements**

Using Form for Equipment in Section 4 (Bidding Forms), the Bidder must demonstrate it has the key equipment listed below:

No.	Equipment Type and Characteristics	Minimum Number Required
1	Hydraulic Excavator	1
2	Dump Truck – 8-10 m <sup>3</sup> (for earthworks and aggregates)	5
3	Water bowser with spray bar	1
4	Grader – Cat.12 G or similar (50% say, fitted with scarifiers)	2
5	Bulldozer with ripper – Cat.D7 or similar	1
6	Wheel Loader	1
7	Asphalt Distributor	1

## **PART 3 – Conditions of Contract and Contract Forms**

## **Section VIII - General Conditions of Contract**

These General Conditions of Contract (GCC), read in conjunction with the Particular Conditions of Contract (PCC) and other documents listed therein, should be a complete document expressing fairly the rights and obligations of both parties.

These General Conditions of Contract have been developed on the basis of considerable international experience in the drafting and management of contracts, bearing in mind a trend in the construction industry towards simpler, more straightforward language.

The GCC can be used for both smaller admeasurement contracts and lump sum contracts.

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## **General Conditions of Contract**

### **A. General**

#### **1. Definitions**

- 1.1 Boldface type is used to identify defined terms.
- (a) The Accepted Contract Amount means the amount accepted in the Letter of Acceptance for the execution and completion of the Works and the remedying of any defects.
  - (b) The Activity Schedule is a schedule of the activities comprising the construction, installation, testing, and commissioning of the Works in a lump sum contract. It includes a lump sum price for each activity, which is used for valuations and for assessing the effects of Variations and Compensation Events.
  - (c) The Adjudicator is the person appointed jointly by the Employer and the Contractor to resolve disputes in the first instance, as provided for in GCC 23.
  - (d) Bank means the financing institution **named in the PCC**.
  - (e) Bill of Quantities means the priced and completed Bill of Quantities forming part of the Bid.
  - (f) Compensation Events are those defined in GCC Clause 42 hereunder.
  - (g) The Completion Date is the date of completion of the Works as certified by the Project Manager, in accordance with GCC Sub-Clause 53.1.
  - (h) The Contract is the Contract between the Employer and the Contractor to execute, complete, and maintain the Works. It consists of the documents listed in GCC Sub-Clause 2.3 below.
  - (i) The Contractor is the party whose Bid to carry out the Works has been accepted by the Employer.
  - (j) The Contractor's Bid is the completed bidding document submitted by the Contractor to the Employer.
  - (k) The Contract Price is the Accepted Contract Amount stated in the Letter of Acceptance and thereafter as adjusted in accordance with the Contract.
  - (l) Days are calendar days; months are calendar months.
  - (m) Day works are varied work inputs subject to payment on a time basis for the Contractor's employees and



Equipment, in addition to payments for associated Materials and Plant.

- (n) A Defect is any part of the Works not completed in accordance with the Contract.
- (o) The Defects Liability Certificate is the certificate issued by Project Manager upon correction of defects by the Contractor.
- (p) The Defects Liability Period is the period **named in the PCC** pursuant to Sub-Clause 34.1 and calculated from the Completion Date.
- (q) Drawings means the drawings of the Works, as included in the Contract, and any additional and modified drawings issued by (or on behalf of) the Employer in accordance with the Contract, include calculations and other information provided or approved by the Project Manager for the execution of the Contract.
- (r) The Employer is the party who employs the Contractor to carry out the Works, **as specified in the PCC**.
- (s) Equipment is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.
- (t) "In writing" or "written" means hand-written, type-written, printed or electronically made, and resulting in a permanent record;
- (u) The Initial Contract Price is the Contract Price listed in the Employer's Letter of Acceptance.
- (v) The Intended Completion Date is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is **specified in the PCC**. The Intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.
- (w) Materials are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- (x) Plant is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.
- (y) The Project Manager is the person **named in the PCC** (or any other competent person appointed by the Employer and notified to the Contractor, to act in replacement of the Project Manager) who is responsible for supervising the execution of the Works and administering the Contract.

- (z) PCC means Particular Conditions of Contract.
- (aa) The Site is the area **defined as such in the PCC**.
- (bb) Site Investigation Reports are those that were included in the bidding documents and are factual and interpretative reports about the surface and subsurface conditions at the Site.
- (cc) Specification means the Specification of the Works included in the Contract and any modification or addition made or approved by the Project Manager.
- (dd) The Start Date is **given in the PCC**. It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- (ee) A Subcontractor is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.
- (ff) Temporary Works are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Works.
- (gg) A Variation is an instruction given by the Project Manager which varies the Works.
- (hh) The Works are what the Contract requires the Contractor to construct, install, and turn over to the Employer, **as defined in the PCC**.

## **2. Interpretation**

- a. In interpreting these GCC, words indicating one gender include all genders. Words indicating the singular also include the plural and words indicating the plural also include the singular. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Project Manager shall provide instructions clarifying queries about these GCC.
- b. If sectional completion is **specified in the PCC**, references in the GCC to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- c. The documents forming the Contract shall be interpreted in the following order of priority:
  - a) Agreement,
  - b) Letter of Acceptance,
  - c) Contractor's Completed Letter of Bid,
  - d) the addenda (if any),

- e) Particular Conditions of Contract,
  - f) General Conditions of Contract, including Appendix,
  - g) Specifications,
  - h) Drawings,
  - i) Bill of Quantities,<sup>26</sup> and
  - j) any other document **listed in the PCC** as forming part of the Contract.
- 3. Language and Law**
- 3.1 The language of the Contract shall be the language **specified in the BDS** and the law governing the Contract shall be the current laws of Lao PDR.
- 3.2 Throughout the execution of the Contract, the Contractor shall comply with the import of goods and services prohibitions in Lao PDR when
- (a) as a matter of law or official regulations, Lao PDR prohibits commercial relations with that country; or
  - (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.
- 4. Project Manager's Decisions**
- 4.1 Except where otherwise specifically stated, the Project Manager shall decide contractual matters between the Employer and the Contractor in the role representing the Employer.
- 5. Delegation**
- 5.1 Otherwise **specified in the PCC**, the Project Manager may delegate any of his duties and responsibilities to other people except to the Adjudicator, after notifying the Contractor, and may revoke any delegation after notifying the Contractor.
- 6. Communications**
- 6.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.
- 7. Subcontracting**
- 7.1 The Contractor may subcontract with the approval of the Project Manager, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations.
- 8. Other Contractors**
- 8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors, as **referred to in the PCC**. The Contractor shall also provide facilities and services for them as described in the Schedule.

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<sup>26</sup> In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule."

The Employer may modify the Schedule of Other Contractors, and shall notify the Contractor of any such modification.

- 9. Personnel and Equipment**
- 9.1 The Contractor shall employ the key personnel and use the equipment identified in its Bid, to carry out the Works or other personnel and equipment approved by the Project Manager. The Project Manager shall approve any proposed replacement of key personnel and equipment only if their relevant qualifications or characteristics are substantially equal to or better than those proposed in the Bid.
- 9.2 If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.
- 9.3 If the Employer, Project Manager or Contractor determines, that any employee of the Contractor be determined to have engaged in corrupt, fraudulent, collusive, coercive or obstructive practice during the execution of the Works, then that employee shall be removed in accordance with Clause 9.2 above.
- 10. Employer's and Contractor's Risks**
- 10.1 The Employer carries the risks which this Contract states are Employer's risks, and the Contractor carries the risks which this Contract states are Contractor's risks.
- 11. Employer's Risks**
- 11.1 From the Start Date until the Defects Liability Certificate has been issued, the following are Employer's risks:
- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to
    - (i) use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works or
    - (ii) negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.
  - (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.
- 11.2 From the Completion Date until the Defects Liability Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is an Employer's risk except loss

or damage due to

- (a) a Defect which existed on the Completion Date,
- (b) an event occurring before the Completion Date, which was not itself an Employer's risk, or
- (c) the activities of the Contractor on the Site after the Completion Date.

**12. Contractor's Risks**

12.1 From the Starting Date until the Defects Liability Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risks are Contractor's risks.

**13. Insurance**

13.1 The Contractor shall provide, in the joint names of the Employer and the Contractor, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts and deductibles **stated in the PCC** for the following events which are due to the Contractor's risks:

- (a) loss of or damage to the Works, Plant, and Materials;
- (b) loss of or damage to Equipment;
- (c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract; and
- (d) personal injury or death.

13.2 Policies and certificates for insurance shall be delivered by the Contractor to the Project Manager for the Project Manager's approval before the Start Date. All such insurance shall provide for compensation to be payable in the types and proportions of currencies required to rectify the loss or damage incurred.

13.3 If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.

13.4 Alterations to the terms of an insurance shall not be made without the approval of the Project Manager.

13.5 Both parties shall comply with any conditions of the insurance policies.

**14. Site Data**

14.1 The Contractor shall be deemed to have examined any Site Data **referred to in the PCC**, supplemented by any information available to the Contractor.

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|--|---|
| <b>15. Contractor to Construct the Works</b>                         | 15.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings.   |
| <b>16. The Works to Be Completed by the Intended Completion Date</b> | 16.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Project Manager, and complete them by the Intended Completion Date.   |
| <b>17. Approval by the Project Manager</b>                           | 17.1 The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, for his approval.<br><br>17.2 The Contractor shall be responsible for design of Temporary Works.<br><br>17.3 The Project Manager's approval shall not alter the Contractor's responsibility for design of the Temporary Works.<br><br>17.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, where required.<br><br>17.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Project Manager before this use. |
| <b>18. Safety</b>  | 18.1 The Contractor shall be responsible for the safety of all activities on the Site.  |
| <b>19. Discoveries</b>   | 19.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.  |
| <b>20. Possession of the Site</b>                                    | 20.1 The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date <b>stated in the PCC</b> , the Employer shall be deemed to have delayed the start of the relevant activities, and this shall be a Compensation Event.  |
| <b>21. Access to the Site</b>  | 21.1 The Contractor shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.  |

- 22. Instructions, Inspections and Audits**
- 22.1 The Contractor shall carry out all instructions of the Project Manager which comply with the applicable laws where the Site is located.
- 22.2 The Contractor shall keep, and shall make all reasonable efforts to cause its Subcontractors and sub-consultants to keep, accurate and systematic accounts and records in respect of the Works in such form and details as will clearly identify relevant time changes and costs.
- 22.3 The Contractor shall permit and shall cause its Subcontractors and sub-consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Site and/or the accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Contractor's and its Subcontractors' and sub-consultants' attention is drawn to Sub-Clause 25.1 which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under Sub-Clause 22.2 constitute an obstructive practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).
- 23. Appointment of the Adjudicator**
- 23.1 The Adjudicator shall be appointed jointly by the Employer and the Contractor, at the time of the Employer's issuance of the Letter of Acceptance. If, in the Letter of Acceptance, the Employer does not agree on the appointment of the Adjudicator, the Employer will request the Appointing Authority **designated in the PCC**, to appoint the Adjudicator within 14 days of receipt of such request.
- 23.2 Should the Adjudicator resign or die, or should the Employer and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract; a new Adjudicator shall be jointly appointed by the Employer and the Contractor. In case of disagreement between the Employer and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority **designated in the PCC** at the request of either party, within 14 days of receipt of such request.
- 24. Procedure for Disputes**
- 24.1 If the Contractor believes that a decision taken by the Project Manager was either outside the authority given to the Project Manager by the Contract or that the decision was wrongly taken, the decision shall be referred to the Adjudicator within 14 days of the notification of the Project Manager's decision.
- 24.2 The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.

- 24.3 The Adjudicator shall be paid by the hour at the **rate specified in the PCC**, together with reimbursable expenses of the types **specified in the PCC**, and the cost shall be divided equally between the Employer and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision shall be final and binding.
- 24.4 The arbitration shall be conducted in accordance with the arbitration procedures published by the institution named and in the place **specified in the PCC**.

**25. Corrupt and Fraudulent Practices**

- 25.1 The Bank requires compliance with its policy in regard to corrupt and fraudulent practices as set forth in Appendix to the GCC.
- 25.2 The Employer requires the Contractor to disclose any commissions or fees that may have been paid or are to be paid to agents or any other party with respect to the bidding process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee.

**B. Time Control**

**26. Program**

- 26.1 Within the time **stated in the PCC**, after the date of the Letter of Acceptance, the Contractor shall submit to the Project Manager for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works. In the case of a lump sum contract, the activities in the Program shall be consistent with those in the Activity Schedule.
- 26.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 26.3 The Contractor shall submit to the Project Manager for approval an updated Program at intervals no longer than the period **stated in the PCC**. If the Contractor does not submit an updated Program within this period, the Project Manager may withhold the amount **stated in the PCC** from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted. In the case of a lump sum contract, the Contractor shall provide an updated Activity Schedule within 14 days of being instructed to by the Project Manager.



- 26.4 The Project Manager's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Manager again at any time. A revised Program shall show the effect of Variations and Compensation Events.
- 27. Extension of the Intended Completion Date**
- 27.1 The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.
- 27.2 The Project Manager shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Project Manager for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.
- 28. Acceleration**
- 28.1 When the Employer wants the Contractor to finish before the Intended Completion Date, the Project Manager shall obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Employer accepts these proposals, the Intended Completion Date shall be adjusted accordingly and confirmed by both the Employer and the Contractor.
- 28.2 If the Contractor's priced proposals for acceleration are accepted by the Employer, they are incorporated in the Contract Price and treated as a Variation.
- 29. Delays Ordered by the Project Manager**
- 29.1 The Project Manager may instruct the Contractor to delay the start or progress of any activity within the Works.
- 30. Management Meetings**
- 30.1 Either the Project Manager or the Contractor may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining work and to deal with matters raised in accordance with the early warning procedure.
- 30.2 The Project Manager shall record the business of management meetings and provide copies of the record to those attending the meeting and to the Employer. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.

- 31. Early Warning** 31.1 The Contractor shall warn the Project Manager at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Project Manager may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.
- 31.2 The Contractor shall cooperate with the Project Manager in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Project Manager.

### **C. Quality Control**

- 32. Identifying Defects** 32.1 The Project Manager shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Project Manager may instruct the Contractor to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect.
- 33. Tests** 33.1 If the Project Manager instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event.
- 34. Correction of Defects** 34.1 The Project Manager shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is **defined in the PCC**. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.
- 34.2 Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Project Manager's notice.
- 35. Uncorrected Defects** 35.1 If the Contractor has not corrected a Defect within the time specified in the Project Manager's notice, the Project Manager shall assess the cost of having the Defect corrected, and the Contractor shall pay this amount.

## **D. Cost Control**

- 36. Contract Price<sup>27</sup>**      36.1 The Bill of Quantities shall contain priced items for the Works to be performed by the Contractor. The Bill of Quantities is used to calculate the Contract Price. The Contractor will be paid for the quantity of the work accomplished at the rate in the Bill of Quantities for each item.
- 37. Changes in the Contract Price<sup>28</sup>**      37.1 If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 1 percent of the Initial Contract Price, the Project Manager may adjust the rate to allow for the change. The Project Manager shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.
- 37.2 If requested by the Project Manager, the Contractor shall provide the Project Manager with a detailed cost breakdown of any rate in the Bill of Quantities.
- 38. Variations**      38.1 All Variations shall be included in updated Programs<sup>29</sup> produced by the Contractor.
- 38.2 The Contractor shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven (7) days of the request or within any longer period stated by the Project Manager and before the Variation is ordered.
- 38.3 If the Contractor's quotation is unreasonable, the Project Manager may order the Variation and make a change to the Contract Price, which shall be based on the Project Manager's own forecast of the effects of the Variation on the Contractor's costs.
- 38.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered

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<sup>27</sup> In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule," and replace GCC Sub-Clauses 36.1 and 36.2, as follows:

36.1 The Contractor shall provide updated Activity Schedules within 14 days of being instructed to by the Project Manager. The activities on the Activity Schedule shall be coordinated with the activities on the Program.

36.2 The Contractor shall show delivery of Materials to the Site separately on the Activity Schedule if payment for Materials on Site shall be made separately.

<sup>28</sup> In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule," and replace entire GCC Clause 37 with new GCC Sub-Clause 37.1, as follows:

37.1 The Activity Schedule shall be amended by the Contractor to accommodate changes of Program or method of working made at the Contractor's own discretion. Prices in the Activity Schedule shall not be altered when the Contractor makes such changes to the Activity Schedule.

<sup>29</sup> In lump sum contracts, add "and Activity Schedules" after "Programs."

without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.

38.5 The Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.

38.6 If the work in the Variation corresponds to an item description in the Bill of Quantities and if, in the opinion of the Project Manager, the quantity of work above the limit stated in Sub-Clause 37.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work.<sup>30</sup>

**39. Cash Flow Forecasts**

39.1 When the Program,<sup>31</sup> is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast.

**40. Payment Certificates**

40.1 The Contractor shall submit to the Project Manager monthly statements of the estimated value of the work executed less the cumulative amount certified previously.

40.2 The Project Manager shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.

40.3 The value of work executed shall be determined by the Project Manager.

40.4 The value of work executed shall comprise the value of the quantities of work in the Bill of Quantities that have been completed.<sup>32</sup>

40.5 The value of work executed shall include the valuation of Variations and Compensation Events.

40.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

**41. Payments**

41.1 Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Contractor the amounts certified by the Project Manager within 28 days of the date of each certificate. If the Employer makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from

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<sup>30</sup> In lump sum contracts, delete this paragraph.

<sup>31</sup> In lump sum contracts, add "or Activity Schedule" after "Program."

<sup>32</sup> In lump sum contracts, replace this paragraph with the following: "The value of work executed shall comprise the value of completed activities in the Activity Schedule."

the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.

- 41.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.
- 41.3 Unless otherwise stated, all payments and deductions shall be paid or charged in the proportions of currencies comprising the Contract Price.
- 41.4 Items of the Works for which no rate or price has been entered in shall not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

**42. Compensation Events**

- 42.1 The following shall be Compensation Events:
- (a) The Employer does not give access to a part of the Site by the Site Possession Date pursuant to GCC Sub-Clause 20.1.
  - (b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.
  - (c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
  - (d) The Project Manager instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects.
  - (e) The Project Manager unreasonably does not approve a subcontract to be let.
  - (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
  - (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
  - (h) Other contractors, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or

extra cost to the Contractor.

- (i) The advance payment is delayed.
- (j) The effects on the Contractor of any of the Employer's Risks.
- (k) The Project Manager unreasonably delays issuing a Certificate of Completion.

42.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.

42.3 As soon as information demonstrating the effect of each Compensation Event upon the Contractor's forecast cost has been provided by the Contractor, it shall be assessed by the Project Manager, and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Project Manager shall adjust the Contract Price based on the Project Manager's own forecast. The Project Manager shall assume that the Contractor shall react competently and promptly to the event.

42.4 The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor's not having given early warning or not having cooperated with the Project Manager.

**43. Tax**

43.1 The Project Manager shall adjust the Contract Price if taxes, duties, and other levies are changed between the date 28 days before the submission of bids for the Contract and the date of the last Completion certificate. The adjustment shall be the change in the amount of tax payable by the Contractor, provided such changes are not already reflected in the Contract Price or are a result of GCC Clause 44.

**44. Currencies**

44.1 Where payments are made in currencies other than the currency of the Employer's country **specified in the PCC**, the exchange rates used for calculating the amounts to be paid shall be the exchange rates stated in the Contractor's Bid.

**45. Price Adjustment**

45.1 Prices shall be adjusted for fluctuations in the cost of inputs only if **provided for in the PCC**. If so provided, the amounts certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the price adjustment factor to the payment amounts due:

$$P = A + B \text{ Im/Io}$$

where:

P is the adjustment factor;

A and B are coefficients **specified in the PCC**, representing the nonadjustable and adjustable portions, respectively, of the Contract Price; and

Im is the index prevailing at the end of the month being invoiced and Io is the index prevailing 28 days before Bid opening for inputs payable.

45.2 If the value of the index is changed after it has been used in a calculation, the calculation shall be corrected and an adjustment made in the next payment certificate. The index value shall be deemed to take account of all changes in cost due to fluctuations in costs.

#### **46. Retention**

46.1 The Employer shall retain from each payment due to the Contractor the proportion **stated in the PCC** until Completion of the whole of the Works.

46.2 Upon the issue of a Certificate of Completion of the Works by the Project Manager, in accordance with GCC 51.1, half the total amount retained shall be repaid to the Contractor and half when the Defects Liability Period has passed and the Project Manager has certified that all Defects notified by the Project Manager to the Contractor before the end of this period have been corrected. The Contractor may substitute retention money with an “on demand” Bank guarantee.

#### **47. Liquidated Damages**

47.1 The Contractor shall pay liquidated damages to the Employer at the rate per day **stated in the PCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount **defined in the PCC**. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor’s liabilities.

47.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in GCC Sub-Clause 41.1.

#### **48. Bonus**

48.1 The Contractor shall be paid a Bonus calculated at the rate per calendar day **stated in the PCC** for each day (less any days for which the Contractor is paid for acceleration) that the Completion is earlier than the Intended Completion Date. The Project Manager shall certify that the Works are complete,

although they may not be due to be complete.

**49. Advance Payment**

- 49.1 The Employer shall make advance payment to the Contractor of the amounts **stated in the PCC** by the date **stated in the PCC**, against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the Employer in amounts and currencies equal to the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest shall not be charged on the advance payment.
- 49.2 The Contractor is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Project Manager.
- 49.3 The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuations of work done, Variations, price adjustments, Compensation Events, Bonuses, or Liquidated Damages.

**50. Securities**

- 50.1 The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount **specified in the PCC**, by a bank or surety acceptable to the Employer, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The Performance Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee, and until one year from the date of issue of the Completion Certificate in the case of a Performance Bond.

**51. Dayworks**

- 51.1 If applicable, the Dayworks rates in the Contractor's Bid shall be used only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.
- 51.2 All work to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.
- 51.3 The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.



- 52. Cost of Repairs**                      52.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

### **E. Finishing the Contract**

- 53. Completion**                      53.1 The Contractor shall request the Project Manager to issue a Certificate of Completion of the Works, and the Project Manager shall do so upon deciding that the whole of the Works is completed.
- 54. Taking Over**                      54.1 The Employer shall take over the Site and the Works within seven days of the Project Manager's issuing a certificate of Completion.
- 55. Final Account**                      55.1 The Contractor shall supply the Project Manager with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 56 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 56 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a payment certificate.
- 56. Operating and Maintenance Manuals**                      56.1 If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates **stated in the PCC**.
- 56.2 If the Contractor does not supply the Drawings and/or manuals by the dates **stated in the PCC** pursuant to GCC Sub-Clause 56.1, or they do not receive the Project Manager's approval, the Project Manager shall withhold the amount **stated in the PCC** from payments due to the Contractor.

- 57. Termination**
- 57.1 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.
- 57.2 Fundamental breaches of Contract shall include, but shall not be limited to, the following:
- (a) the Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Project Manager;
  - (b) the Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;
  - (c) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
  - (d) a payment certified by the Project Manager is not paid by the Employer to the Contractor within 84 days of the date of the Project Manager's certificate;
  - (e) the Project Manager gives Notice that failure to correct a particular Defect or catch up the progress in accordance with the approved program is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Project Manager;
  - (f) the Contractor does not maintain a Security, which is required;
  - (g) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as **defined in the PCC**;  
or
  - (h) if the Contractor, in the judgment of the Employer, has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices, in competing for or in executing the Contract, then the Employer may, after giving written notice to the Contractor, terminate the Contract and expel him from the Site.
- 57.3 When either party to the Contract gives notice of a breach of Contract to the Project Manager for a cause other than those listed under GCC Sub-Clause 56.2 above, the Project Manager shall decide whether the breach is fundamental or not.
- 57.4 Notwithstanding the above, the Employer may terminate the Contract for convenience.
- 57.5 If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

- 58. Payment upon Termination**
- 58.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Manager shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as **specified in the PCC**. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be a debt payable to the Employer.
- 58.2 If the Contract is terminated for the Employer's convenience or because of a fundamental breach of Contract by the Employer, the Project Manager shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.
- 59. Property**
- 59.1 All Materials on the Site, Plant, Equipment, Temporary Works, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default.
- 60. Release from Performance**
- 60.1 If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Project Manager shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards to which a commitment was made.
- 61. Suspension of Bank Loan or Credit**
- 61.1 In the event that the Bank suspends the Loan or Credit to the Employer, from which part of the payments to the Contractor are being made:
- (a) The Employer is obligated to notify the Contractor of such suspension within 7 days of having received the Bank's suspension notice.
  - (b) If the Contractor has not received sums due it within the 28 days for payment provided for in Sub-Clause 40.1, the Contractor may immediately issue a 14-day termination notice.

## APPENDIX TO GENERAL CONDITIONS

### Bank's Policy- Corrupt and Fraudulent Practices

*(text in this Appendix shall not be modified)*

**Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011, revised July 2014:**

#### **"Fraud and Corruption:**

1.16 It is the Bank's policy to require that Borrowers (including beneficiaries of Bank loans), bidders, suppliers, contractors and their agents (whether declared or not), sub-contractors, sub-consultants, service providers or suppliers, and any personnel thereof, observe the highest standard of ethics during the procurement and execution of Bank-financed contracts.<sup>33</sup> In pursuance of this policy, the Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;<sup>34</sup>
  - (ii) "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;<sup>35</sup>
  - (iii) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;<sup>36</sup>
  - (iv) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;<sup>37</sup>
  - (v) "obstructive practice" is
    - (aa) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or
    - (bb) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 1.16(e) below.
- (b) will reject a proposal for award if it determines that the bidder recommended for award, or any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

<sup>33</sup> In this context, any action to influence the procurement process or contract execution for undue advantage is improper.

<sup>34</sup> For the purpose of this sub-paragraph, "*another party*" refers to a public official acting in relation to the procurement process or contract execution. In this context, "*public official*" includes World Bank staff and employees of other organizations taking or reviewing procurement decisions.

<sup>35</sup> For the purpose of this sub-paragraph, "party" refers to a public official; the terms "benefit" and "obligation" relate to the procurement process or contract execution; and the "act or omission" is intended to influence the procurement process or contract execution.

<sup>36</sup> For the purpose of this sub-paragraph, "parties" refers to participants in the procurement process (including public officials) attempting either themselves, or through another person or entity not participating in the procurement or selection process, to simulate competition or to establish bid prices at artificial, non-competitive levels, or are privy to each other's bid prices or other conditions.

<sup>37</sup> For the purpose of this sub-paragraph, "party" refers to a participant in the procurement process or contract execution.

- (c) will declare mis-procurement and cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement or the implementation of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- (d) will sanction a firm or individual, at any time, in accordance with the prevailing Bank's sanctions procedures,<sup>38</sup> including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; and (ii) to be a nominated<sup>39</sup>;
- (e) will require that a clause be included in bidding documents and in contracts financed by a Bank loan, requiring bidders, suppliers and contractors, and their sub-contractors, agents, personnel, consultants, service providers, or suppliers, to permit the Bank to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Bank."

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<sup>38</sup> A firm or individual may be declared ineligible to be awarded a Bank financed contract upon: (i) completion of the Bank's sanctions proceedings as per its sanctions procedures, including, inter alia, cross-debarment as agreed with other International Financial Institutions, including Multilateral Development Banks, and through the application the World Bank Group corporate administrative procurement sanctions procedures for fraud and corruption; and (ii) as a result of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding. See footnote 14 and paragraph 8 of Appendix 1 of these Guidelines.

<sup>39</sup> A nominated sub-contractor, consultant, manufacturer or supplier, or service provider (different names are used depending on the particular bidding document) is one which has either been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.



## APPENDIX B

### Environmental, Social, Health and Safety (ESHS)

#### Metrics for Progress Reports

***[Note to Employer: the following metrics may be amended to reflect the Employer's environmental, social, health and safety policies and/or the ESHS requirements of the project. The metrics that are required should be determined by the ESHS risks of the Works and not necessarily by the scale of the Works]***

*Metrics for regular reporting:*

- a. *environmental incidents or non-compliances with contract requirements, including contamination, pollution or damage to ground or water supplies;*
- b. *health and safety incidents, accidents, injuries and all fatalities that require treatment;*
- c. *interactions with regulators: identify agency, dates, subjects, outcomes (report the negative if none);*
- d. *status of all permits and agreements:*
  - i. *work permits: number required, number received, actions taken for those not received;*
  - ii. *status of permits and consents:*
    - *list areas/facilities with permits required (quarries, asphalt & batch plants), dates of application, dates issued (actions to follow up if not issued), dates submitted to resident engineer (or equivalent), status of area (waiting for permits, working, abandoned without reclamation, decommissioning plan being implemented, etc.);*
    - *list areas with landowner agreements required (borrow and spoil areas, camp sites), dates of agreements, dates submitted to resident engineer (or equivalent);*
    - *identify major activities undertaken in each area in the reporting period and highlights of environmental and social protection (land clearing, boundary marking, topsoil salvage, traffic management, decommissioning planning, decommissioning implementation);*
    - *for quarries: status of relocation and compensation (completed, or details of activities and current status in the reporting period).*
- e. *health and safety supervision:*
  - i. *safety officer: number days worked, number of full inspections & partial inspections, reports to construction/project management;*
  - ii. *number of workers, work hours, metric of PPE use (percentage of workers with full personal protection equipment (PPE), partial, etc.), worker violations observed (by type of violation, PPE or otherwise), warnings given, repeat warnings given, follow-up actions taken (if any);*
- f. *worker accommodations:*
  - i. *number of expats housed in accommodations, number of locals;*
  - ii. *date of last inspection, and highlights of inspection including status of accommodations' compliance with national and local law and good practice, including sanitation, space, etc.;*

- iii. actions taken to recommend/require improved conditions, or to improve conditions.
- g. *HIV/AIDS: provider of health services, information and/or training, location of clinic, number of non-safety disease or illness treatments and diagnoses (no names to be provided);*
- h. *gender (for expats and locals separately): number of female workers, percentage of workforce, gender issues raised and dealt with (cross-reference grievances or other sections as needed);*
- i. *training:*
  - i. number of new workers, number receiving induction training, dates of induction training;
  - ii. number and dates of toolbox talks, number of workers receiving Occupational Health and Safety (OHS), environmental and social training;
  - iii. number and dates of HIV/AIDS sensitization and/or training, no. workers receiving training (in the reporting period and in the past); same questions for gender sensitization, flag person training.
  - iv. number and date of GBV /SEA sensitization and/or training, number of workers receiving training on code of conduct (in the reporting period and in the past), etc.
- j. *environmental and social supervision:*
  - i. environmentalist: days worked, areas inspected and numbers of inspections of each (road section, work camp, accommodations, quarries, borrow areas, spoil areas, swamps, forest crossings, etc.), highlights of activities/findings (including violations of environmental and/or social best practices, actions taken), reports to environmental and/or social specialist/construction/site management;
  - ii. sociologist: days worked, number of partial and full site inspections (by area: road section, work camp, accommodations, quarries, borrow areas, spoil areas, clinic, HIV/AIDS center, community centers, etc.), highlights of activities (including violations of environmental and/or social requirements observed, actions taken), reports to environmental and/or social specialist/construction/site management; and
  - iii. community liaison person(s): days worked (hours community center open), number of people met, highlights of activities (issues raised, etc.), reports to environmental and/or social specialist /construction/site management.
- k. *Grievances: list new grievances (e.g. allegations of GBV / SEA) received in the reporting period and unresolved past grievances by date received, complainant, how received, to whom referred to for action, resolution and date (if completed), data resolution reported to complainant, any required follow-up (Cross-reference other sections as needed):*
  - i. Worker grievances;
  - ii. Community grievances
- l. *Traffic and vehicles/equipment:*
  - i. traffic accidents involving project vehicles & equipment: provide date, location, damage, cause, follow-up;
  - ii. accidents involving non-project vehicles or property (also reported under immediate metrics): provide date, location, damage, cause, follow-up;



- iii. overall condition of vehicles/equipment (subjective judgment by environmentalist); non-routine repairs and maintenance needed to improve safety and/or environmental performance (to control smoke, etc.).
- m. Environmental mitigations and issues (what has been done):*
- i. dust: number of working bowsters, number of waterings/day, number of complaints, warnings given by environmentalist, actions taken to resolve; highlights of quarry dust control (covers, sprays, operational status); % of rock/spoil lorries with covers, actions taken for uncovered vehicles;
  - ii. erosion control: controls implemented by location, status of water crossings, environmentalist inspections and results, actions taken to resolve issues, emergency repairs needed to control erosion/sedimentation;
  - iii. quarries, borrow areas, spoil areas, asphalt plants, batch plants: identify major activities undertaken in the reporting period at each, and highlights of environmental and social protection: land clearing, boundary marking, topsoil salvage, traffic management, decommissioning planning, decommissioning implementation;
  - iv. blasting: number of blasts (and locations), status of implementation of blasting plan (including notices, evacuations, etc.), incidents of off-site damage or complaints (cross-reference other sections as needed);
  - v. spill cleanups, if any: material spilled, location, amount, actions taken, material disposal (report all spills that result in water or soil contamination);
  - vi. waste management: types and quantities generated and managed, including amount taken offsite (and by whom) or reused/recycled/disposed on-site;
  - vii. details of tree plantings and other mitigations required undertaken in the reporting period;
  - viii. details of water and swamp protection mitigations required undertaken in the reporting period.
- n. compliance:*
- i. compliance status for conditions of all relevant consents/permits, for the Work, including quarries, etc.): statement of compliance or listing of issues and actions taken (or to be taken) to reach compliance;
  - ii. compliance status of C-ESMP/ESIP requirements: statement of compliance or listing of issues and actions taken (or to be taken) to reach compliance
  - iii. compliance status of GBV/SEA prevention and response action plan: statement of compliance or listing of issues and actions taken (or to be taken) to reach compliance
  - iv. compliance status of Health and Safety Management Plan re: statement of compliance or listing of issues and actions taken (or to be taken) to reach compliance

other unresolved issues from previous reporting periods related to environmental and social: continued violations, continued failure of equipment, continued lack of vehicle covers, spills not dealt with, continued compensation or blasting issues, etc. Cross-reference other sections as needed.

## Section IX - Particular Conditions of Contract

*Except where otherwise specified, all PCC should be filled in by the Employer prior to issuance of the Bidding Documents. Schedules and reports to be provided by the Employer should be annexed.*

<b>A. General</b>	
<b>GCC 1.1 (d)</b>	The financing institution is: <i>The World Bank</i>
<b>GCC 1.1 (s)</b>	The Employer is: <i>Ministry of Public Works and Transport, Department of Public Works and Transport, Oudomxay Province</i>
<b>GCC 1.1 (v)</b>	The Intended Completion Date for the whole of the Works shall be <i>18 months after contract award</i>
<b>GCC 1.1 (y)</b>	The Project Manager is <i>Head of Road Sector Office</i>
<b>GCC 1.1 (aa)</b>	The Site is located at <i>Road No. 1851 in Oudomxay Province</i> and is defined in drawing No. <i>GEN-01</i> .
<b>GCC 1.1 (dd)</b>	The Start Date shall be <i>twenty-eight days (28) after contract award</i>
<b>GCC 1.1 (hh)</b>	The Works consist of:  <i>Raising of profile in flood prone areas, paving of road sections passing through big villages and with steep gradients, drainage improvements and construction of drainage, slope stabilization, as required. Paving remaining sections with gravel.</i>
<b>GCC 2.2</b>	Sectional Completions are: <i>Not Applicable</i>
<b>GCC 2.3(i)</b>	The following documents also form part of the Contract:  <i>Environmental and Social Management Plan (ESMP) and Environmental Code of Practices (ECOPs)</i>
<b>GCC 3.1</b>	The language of contract is <i>English</i> .
<b>GCC 5.1</b>	The Project manager <i>may</i> delegate any of his duties and responsibilities.
<b>GCC 8.1</b>	Schedule of other contractors: <i>Not Applicable</i>
<b>GCC 13.1</b>	The minimum insurance amounts and deductibles shall be:  (a) for loss or damage to the Works, Plant and Materials: <i>equivalent to the Contract Price (\$20,000 maximum deductible)</i>  (b) for loss or damage to Equipment: <i>equivalent to the equipment price</i>

	<p><i>without deductibles</i></p> <p>(c) for loss or damage to property (except the Works, Plant, Materials, and Equipment) in connection with Contract: <b><i>US\$500,000 on any of an unlimited number of occasions without deductibles</i></b></p> <p>(d) for personal injury or death:</p> <p>(i) of the Contractor's employees: <b><i>\$10,000 for each death or permanent disability with no deductible; daily compensation for temporary injury up to a maximum of 360 days, with 15 days maximum deductible (worker's compensation).</i></b></p> <p>(ii) of other people: <b><i>\$10,000 for each death or permanent disability with no deductible.</i></b></p>
<b>GCC 14.1</b>	Site Data are: <b><i>None</i></b>
<b>GCC 18</b>	<p>Add a new paragraph 18.2:</p> <p>The Contractor shall at all times take all reasonable precautions to maintain the health and safety of the Contractor's Personnel and to provide a safe work environment. The Contractor shall conduct health and safety programs for workers employed under the project and shall disseminate information on sexually transmitted diseases including HIV/AIDS to employees and local communities surrounding the Project sites.</p>
<b>GCC 20.1</b>	The Site Possession Date(s) shall be: <b><i>same as the start date</i></b>
<b>GCC 21</b>	<p>Add a new paragraph 21.2:</p> <p>The Contractor shall comply with (i) the measures and requirements set forth in the resettlement plan to the extent it concerns impacts on affected people during construction; and (ii) any corrective or preventive actions set out in safeguards monitoring reports that the Employer will prepare from time to time.</p>
<b>GCC 23.1 &amp; GCC 23.2</b>	Appointing Authority for the Adjudicator: <b><i>Lao Adjudication Board</i></b>
<b>GCC 24.3</b>	Hourly rate and types of reimbursable expenses to be paid to the Adjudicator: <b><i>US\$25 which shall include reimbursable expenses such as transportation, accommodation (if any), communications etc.</i></b>
<b>GCC 24.4</b>	<p>Institution whose arbitration procedures shall be used:</p> <p>The dispute shall be referred to arbitration in accordance with the laws of Lao PDR. <b><i>Law on Resolution of Economic Disputes No. 02/NA (19 May 2005)</i></b></p> <p>The place of arbitration shall be: <b><i>Oudomxay Province, Lao PDR</i></b></p>
<b>B. Time Control</b>	

<b>GCC 26.1</b>	The Contractor shall submit for approval a Program for the Works within <b>fourteen (14)</b> days from the date of the Letter of Acceptance.
<b>GCC 26.3</b>	The period between Program updates is <b>sixty (60)</b> days.  The amount to be withheld for late submission of an updated Program is <b>1% of the Contract price</b> .
<b>GCC 31</b>	Add a new paragraph 31.3:  The Contractor shall provide the Engineer with a written notice of any unforeseeable environmental or resettlement risks or impacts that arise during construction of Works, which were not considered in the environmental management plan or the resettlement plan.
<b>C. Quality Control</b>	
<b>GCC 34.1</b>	The Defects Liability Period is: <b>three hundred sixty-five (365)</b> days.
<b>D. Cost Control</b>	
<b>GCC 44.1</b>	The currency of the Employer's country is: <b>Lao Kips</b> .
<b>GCC 45.1</b>	The Contract <b>is not</b> subject to price adjustment in accordance with GCC Clause 45.
<b>GCC 46.1</b>	The proportion of payments retained is: <b>ten percent (10%)</b>
<b>GCC 47.1</b>	The liquidated damages for the whole of the Works are <b>0.10 percent</b> per day. The maximum amount of liquidated damages for the whole of the Works is <b>ten (10) percent</b> of the final Contract Price.
<b>GCC 49.1</b>	The Advance Payments shall be: <b>ten percent (10%)</b> of the contract price and shall be paid to the Contractor no later than <b>thirty (30) days after furnishing to the Employer the unconditional bank guarantee for Advance Payment</b>
<b>GCC 50.1</b>	The Performance Security amount is:  (a) Bank Guarantee: <b>ten percent (10%) of the Contract price and</b>  (b) Environmental, Social, Safety and Health (ESHS) Performance Security - Bank Guarantee: <b>two percent (2%) of the Contract price</b>
<b>E. Finishing the Contract</b>	
<b>GCC 56.1</b>	The date by which operating and maintenance manuals are required is <b>one</b>

	<p><i>month before completion time</i></p> <p>The date by which “as built” drawings are required is <i>twenty-one (21) days after the date on which the Project Manager accepts the works</i></p>
<b>GCC 56.2</b>	<p>The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required in GCC 58.1 is <i>100% of the remaining amount due the Contractor</i></p>
<b>GCC 57.2 (g)</b>	<p>The maximum number of days is: <i>one hundred (100) days</i></p>
<b>GCC 58.1</b>	<p>The percentage to apply to the value of the work not completed, representing the Employer’s additional cost for completing the Works, is <i>twenty percent (20%)</i></p>
<p>Additional Clauses:</p> <p style="text-align: center;"><b>Social Requirements</b></p>	
<b>GCC 62</b>	<p>The Contractor shall (a) not use child labor; (b) provide equal pay for equal work of equal value regardless of gender, ethnicity or caste; and (c) not use forced labor. "Child" means a child below the statutory minimum age specified under applicable national law. “Child” means the statutory minimum age specified under applicable national Lao law.</p>
<p><b>Environmental Requirement</b></p>	
<b>GCC 63</b>	<p>The Contractor shall comply with all applicable national, provincial, and local environmental laws and regulations. The Contractor shall (a) establish an operational system for managing environmental impacts, (b) carry out all of the monitoring and mitigation measures set forth in the environmental and social management plan/Environmental Code of Practices, (c) comply with any corrective or preventative actions set out in safeguards monitoring reports that the Employer will prepare from time to time, and (d) allocate the budget required to ensure that such measures are carried out. The Contractor shall submit monthly reports on the carrying out of such measures to the Employer</p>
<b>GCC 64</b>	<p>The Contractor shall provide the Employer with quarterly reports of its activities, including each of its obligations in Sub-Clauses 18.2, 21.2, 31.3 and 62 and 63</p>

## **Section X - Contract Forms**

This Section contains forms which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful Bidder after contract award.

### **Table of Forms**

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# Letter of Acceptance

[ on letterhead paper of the Employer]

..... [date]. .....

To: ..... [name and address of the Contractor] .....

Subject: ..... [Notification of Award Contract No]. .....

This is to notify you that your Bid dated . . . . [insert date] . . . . for execution of the . . . . .  
. . . . [insert name of the contract and identification number, as given in the Appendix to Bid]. . . . .  
. . . . for the Accepted Contract Amount of . . . . . [insert amount in numbers and words  
and name of currency], as corrected and modified in accordance with the Instructions to  
Bidders is hereby accepted by our Agency.

You are requested to furnish the Performance Security and an Environmental, Social,  
Health and Safety Performance Security within 28 days in accordance with the  
Conditions of Contract, using for that purpose the of the Performance Security Form  
and the ESHS Performance Security Form included in Section IX (Contract Forms) of  
the Bidding Document.

**[Choose one of the following statements:]**

We accept that \_\_\_\_\_ [insert the name of Adjudicator proposed by  
the Bidder] be appointed as the Adjudicator.

**[or]**

We do not accept that \_\_\_\_\_ [insert the name of the Adjudicator  
proposed by the Bidder] be appointed as the Adjudicator, and by sending a copy of this  
Letter of Acceptance to \_\_\_\_\_ [insert name of  
the Appointing Authority], the Appointing Authority, we are hereby requesting such  
Authority to appoint the Adjudicator in accordance with ITB 41.1 and GCC 23.1.

Authorized Signature: .....

Name and Title of Signatory: .....

Name of Agency: .....

Attachment: Contract Agreement

## Contract Agreement

THIS AGREEMENT made the . . . . .day of . . . . ., . . . . ., between . . . . . [name of the Employer].. (hereinafter “the Employer”), of the one part, and [name of the Contractor] {for unincorporated joint ventures, add ”a joint venture formed pursuant to [name of JV founding agreement] dated [date of JV agreement], represented by [name of authorized representative of JV]} . . . . .(hereinafter “the Contractor”), of the other part:

WHEREAS the Employer desires that the Works known as . . . . .*[name of the Contract]*. . . . . should be executed by the Contractor, and has accepted a Bid by the Contractor for the execution and completion of these Works and the remedying of any defects therein, in total amount of (Currency)*[Contract Price in figures and in words]* (hereinafter called “the Contract Price”).

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.

- (i) the Letter of Acceptance
- (ii) the Letter of Bid
- (iii) the addenda Nos \_\_\_\_\_(if any)
- (iv) the Particular Conditions
- (v) the General Conditions of Contract, including appendix;
- (vi) the Specification
- (vii) the Drawings
- (viii) Bill of Quantities and
- (ix) any other document **listed in the PCC** as forming part of the Contract, including, but not limited to:
  - i. the ESHS Management Strategies and Implementation Plans; and
  - ii. Code of Conduct (ESH).

3. In consideration of the payments to be made by the Employer to the Contractor as specified in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.



4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of . . . . . *[name of the borrowing country]*. . . . . on the day, month and year specified above.

Signed by: \_\_\_\_\_  
for and on behalf of the Employer

Signed by: \_\_\_\_\_  
for and on behalf the Contractor

in the  
presence  
of: \_\_\_\_\_  
Witness, Name, Signature, Address, Date

in the  
presence  
of: \_\_\_\_\_  
Witness, Name, Signature, Address, Date

## Performance Security (Bank Guarantee)

[Guarantor letterhead or SWIFT identifier code]

**Beneficiary:** [insert name and Address of Employer]

**Date:** \_ [Insert date of issue]

**PERFORMANCE GUARANTEE No.:** [Insert guarantee reference number]

**Guarantor:** [Insert name and address of place of issue, unless indicated in the letterhead]

We have been informed that \_ [insert name of Contractor, which in the case of a joint venture shall be the name of the joint venture] (hereinafter called "the Applicant") has entered into Contract No. [insert reference number of the contract] dated [insert date] with the Beneficiary, for the execution of \_ [insert name of contract and brief description of Works] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of [insert amount in figures] (\_\_\_\_\_) [insert amount in words],<sup>1</sup> such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the .... Day of ....., 2...<sup>2</sup>, and any demand for payment under it must be received by us at this office indicated above on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article

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<sup>1</sup> The Guarantor shall insert an amount representing the percentage of the Accepted Contract Amount specified in the Letter of Acceptance, less provisional sums, if any, and denominated either in the currency(cies) of the Contract or a freely convertible currency acceptable to the Beneficiary.

<sup>2</sup> Insert the date twenty-eight days after the expected completion date as described in GC Clause 53.1. The Employer should note that in the event of an extension of this date for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

15(a) is hereby excluded.

\_\_\_\_\_  
*[signature(s)]*

*Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.*

# Environmental, Social, Health and Safety (ESHS) Performance Security

## ESHS Demand Guarantee

[Guarantor letterhead or SWIFT identifier code]

**Beneficiary:** [insert name and Address of Employer]

**Date:** \_ [Insert date of issue]

**ESHS PERFORMANCE GUARANTEE No.:** [Insert guarantee reference number]

**Guarantor:** [Insert name and address of place of issue, unless indicated in the letterhead]

We have been informed that \_\_\_\_\_ (hereinafter called "the Applicant") has entered into Contract No. \_\_\_\_\_ dated \_\_\_\_\_ with the Beneficiary, for the execution of \_\_\_\_\_ (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of \_\_\_\_\_ (          ),<sup>1</sup> such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its Environmental, Social, Health and/or Safety (ESHS) obligation(s) under the Contract, without the Beneficiary needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire, no later than the .... Day of ....., 2...<sup>2</sup>, and any demand for payment under it must be received by us at this office indicated above on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.

\_\_\_\_\_  
[signature(s)]

<sup>1</sup> The Guarantor shall insert an amount representing the percentage of the Accepted Contract Amount specified in the Letter of Acceptance, less provisional sums, if any, and denominated either in the currency (cies) of the Contract or a freely convertible currency acceptable to the Beneficiary.

<sup>2</sup> Insert the date twenty-eight days after the expected completion date as described in GC Clause 11.9. The Employer should note that in the event of an extension of this date for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months] [one year], in response to the Beneficiary's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

*Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.*

## Advance Payment Security

*[Guarantor letterhead or SWIFT identifier code]*

**Beneficiary:** *[Insert name and Address of Employer]*

**Date:** *[Insert date of issue]*

**ADVANCE PAYMENT GUARANTEE No.:** *[Insert guarantee reference number]*

**Guarantor:** *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[insert name of Contractor, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called “the Applicant”) has entered into Contract No. *[insert reference number of the contract]* dated *[insert date]* with the Beneficiary, for the execution of *[insert name of contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum *[insert amount in figures]* () *[insert amount in words]* is to be made against an advance payment guarantee.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[insert amount in figures]* () *[insert amount in words]*<sup>1</sup> upon receipt by us of the Beneficiary’s complying demand supported by the Beneficiary’s statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating either that the Applicant:

- (a) has used the advance payment for purposes other than the costs of mobilization in respect of the Works; or
- (b) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary’s bank stating that the advance payment referred to above has been credited to the Applicant on its account number *[insert number]* at *[insert name and address of Applicant’s bank]*..

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the

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<sup>1</sup> *The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Employer.*

latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) percent of the Accepted Contract Amount, less provisional sums, has been certified for payment, or on the *[insert day]* day of *[insert month]*, 2 *[insert year]*,<sup>2</sup> whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under Article 15(a) is hereby excluded.

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*[signature(s)]*

***Note: All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.***

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<sup>2</sup> *Insert the expected expiration date of the Time for Completion. The Employer should note that in the event of an extension of the time for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Beneficiary’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”*